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UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON  
PORTLAND DIVISION

DISABILITY RIGHTS OREGON,  
METROPOLITAN PUBLIC DEFENDER  
SERVICES, INC., and A.J. MADISON,

*Plaintiffs,*

v.

SAJEL HATHI, in her official capacity as head  
of the Oregon Health Authority, and SARA  
WALKER, in her official capacity as  
Superintendent of the Oregon State Hospital,

*Defendants.*

JAROD BOWMAN and  
JOSHAWN DOUGLAS- SIMPSON,

*Plaintiffs,*

v.

SARA WALKER, Interim Superintendent of the  
Oregon State Hospital, in her official capacity,  
SAJEL HATHI, Director of the Oregon Health  
Authority, in her official capacity,

*Defendants.*

3:02-cv-00339-MO (Lead Case)  
3:21-cv-01637-MO (Member Case)

Declaration of Steve Elzinga

I, Steve Elzinga, under penalty of perjury declare that the following is true and based upon my personal knowledge:

1. I am employed as an attorney for Marion County, Oregon and represent Marion County on this matter.

2. This Declaration is offered for the purpose of presenting material facts relevant to Marion County's Limited Motion to Intervene in Response to Plaintiff Disability Rights Oregon's Motion for a Rule to Show Cause Why Defendants Should Not be Held in Contempt as well as for Marion County's Response to Plaintiff Disability Rights Oregon's Motion for a Rule to Show Cause Why Defendants Should Not be Held in Contempt.

3. Attached as Exhibit A is a true and correct copy of the Oregon Health Authority, OHA Director 2024 Statewide Listening Tour (Dec. 2024) that I obtained on January 8, 2025 from [https://www.oregon.gov/oha/Documents/OHA-2024-Listening-Tour-Report\\_12.2024.pdf](https://www.oregon.gov/oha/Documents/OHA-2024-Listening-Tour-Report_12.2024.pdf)

4. Attached as Exhibit B is a true and correct copy of the Public Consulting Group, Oregon Behavioral Health Residential & Facility Study—Final Report (June 2024) that I obtained on January 8, 2025 from <https://www.oregon.gov/oha/HSD/AMH/DataReports/Behavioral-Health-Residential-Facility-Study-June-2024.pdf>

5. Attached as Exhibit C is a true and correct copy of the 2025-2027 Governor's Budget, State of Oregon that I obtained on January 8, 2025 from [https://www.oregon.gov/das/financial/documents/2025-27\\_gb.pdf](https://www.oregon.gov/das/financial/documents/2025-27_gb.pdf).

**I hereby declare that the above statement is true to the best of my knowledge and belief, and that I understand it is made for use as evidence in court and is subject to penalty for perjury.**

DATED this 9th day of January, 2025.

*Steve Elzinga*  
\_\_\_\_\_  
Steve Elzinga

### **CERTIFICATE OF SERVICE**

I hereby certify that I served the foregoing Declaration of Steve Elzinga upon interested counsel by the following indicated method on the date set forth below:

- XX By electronic means through the Court's Case Management/Electronic Case File system on the date set forth below;
- \_\_\_ By faxing a copy thereof to each attorney at each attorney's last-known facsimile number on the date set forth below;
- \_\_\_ By mailing a full, true, and correct copy thereof in a sealed, first-class postage-prepaid envelope, addressed to the attorney's last-known office address listed above and causing it to be deposited in the U.S. mail at Salem, Oregon on the date set forth below;
- \_\_\_ By causing a copy thereof to be hand-delivered to said attorney at each attorney's last-known office address listed above on the date set forth below;

Dated this 9th day of January, 2025

s/ Steve Elzinga  
Steve Elzinga, OSB# 123102  
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# OHA Director 2024 Statewide Listening Tour



December 2024

Exhibit A - Page 1 of 13

# Letter from the OHA Director

## Dear partners and community members:

In my first six months as OHA Director, I embarked on a series of visits to listen and learn from our partners and community leaders in every region of the state – bringing with me key OHA leadership team members to hear Oregonians' ideas and act on your concerns. My priority is and has always been to center the work we do in the real needs, voices, and experiences of the people the Oregon Health Authority is called to serve. And your passion and participation in these visits are what make that type of partnership possible.

While this dialog continues, and both my team and I continue to make visits across the state, I am proud that our listening tour brought us to all seven regions and more than a dozen communities in Oregon – including Astoria, Bend, the Dalles, Eugene, Hood River, Grants Pass, Klamath Falls, Lebanon, Medford, Pendleton, Portland, Redmond, and Salem.

In a state with so much diversity in its communities, landscapes, economies, and histories, it is no surprise that we learned about a vast range of local concerns and innovations.

But there also emerged recurring themes that illuminated just how significant, because shared, are a growing share of our challenges: from health care workforce shortages – particularly in obstetrics, behavioral health, and primary care – to pleas to lighten state-imposed administrative burdens, to despair and anger over the surge in psychiatric emergency department boarding among our kids, to a reminder that – whatever the crisis of the day or the scarcity of the moment – we must not forget to heed or fund basic public health services such as water quality and communicable disease prevention.

We heard, we listened, we took note, we brought back. This report is our first attempt to capture how we are actively translating all you told us into real, if incremental, policy and program changes to make those concerns right.

Over the past few months, staff across our Behavioral Health, Medicaid, Public Health, and Health Policy and Analytics divisions have been convening to review and synthesize your feedback and identify regulatory, funding, and administrative changes we can make to address the issues you raised. This report describes the concrete steps we've now begun to take to execute these changes, and we hope it can serve as the first step toward making good on our promise of transparency and accountability. Each section includes a graphic that marks our progress toward resolution and shows how this effort maps onto OHA's Strategic Plan. Our goal is to maximize transparency, improve our own accountability, and strengthen our partnerships with each of you.

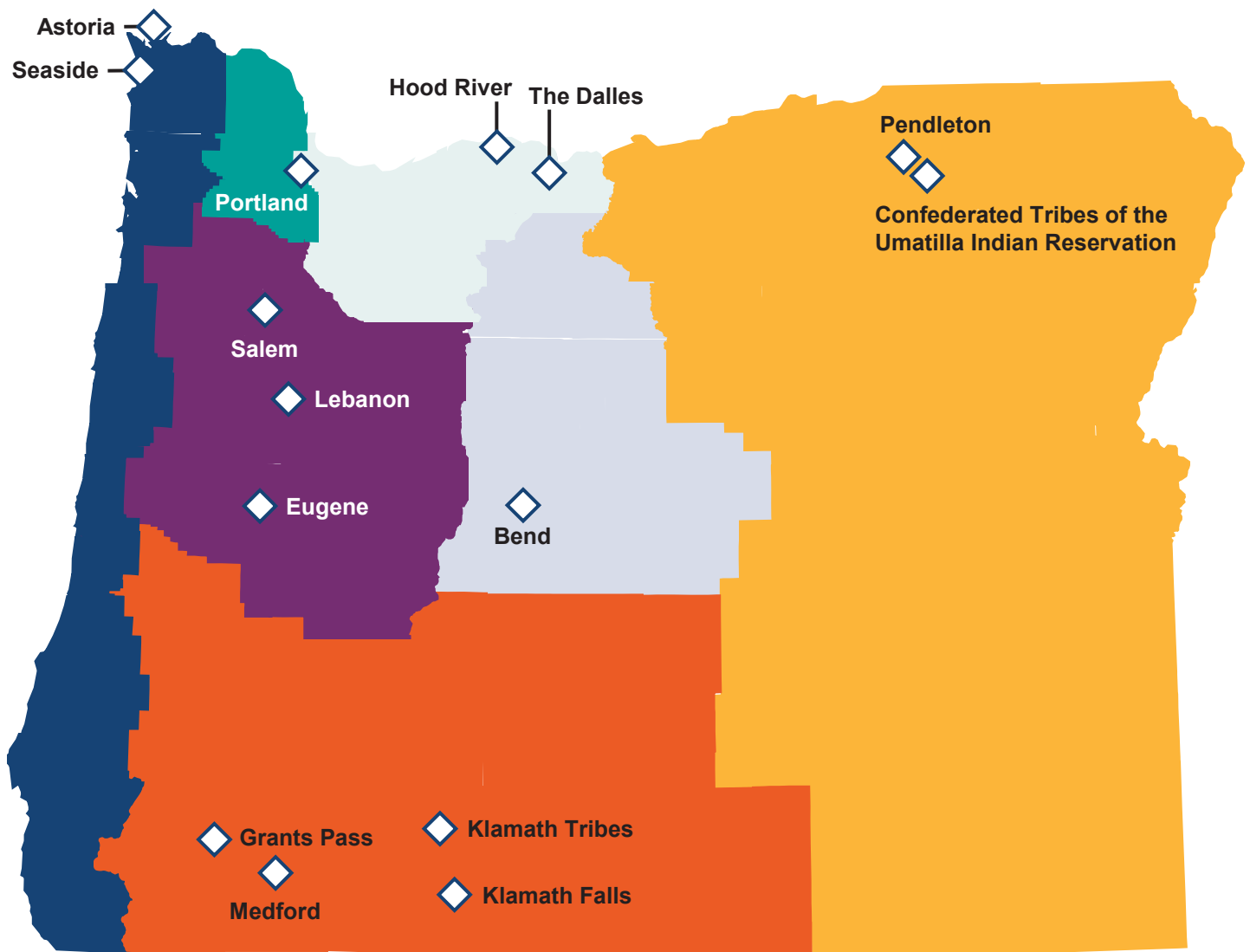
Now, let me state upfront: many of these challenges are deep, longstanding, and complex. There are no easy solutions. But I'm grateful for the feedback you and other partners have shared with us, and the hard work staff across OHA are dedicating to clearing barriers and charting paths forward.

Thank you for taking the time to meet with me during these regional visits. I look forward to continuing the conversation and deepening our partnership to better serve all Oregonians.



**Sejal Hathi, M.D., MBA**  
**Director**

# Trips – Regions Visited



**1,920** Miles Traveled

**48**



Meetings Held



**35**  
counties  
represented  
across visits

**112**  
Ounces



of Coffee  
Consumed



**62** Issues shared back  
with policy staff



# Strategic Plan

## Vision: A Healthy Oregon

**Strategic Goal**  
**Eliminate health inequities**  
**in Oregon by 2030**

### Values

- Health Equity
- Innovation
- Partnership
- Service Excellence
- Integrity
- Transparency
- Leadership

### Mission

Ensuring all people and communities can achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality affordable health care.

### Strategic goal pillars

Transforming  
behavioral  
health

Strengthening  
access to  
affordable  
care for all

Fostering  
healthy  
families and  
environments

Achieving  
healthy Tribal  
communities

Building OHA's  
internal  
capacity and  
commitment to  
eliminate health  
inequities

## Policy Issue Spotlights

The policy spotlights below describe the concrete steps agency staff are taking to address concerns raised on the listening tour. The progress bar in each spotlight represents how close each issue is to resolution. Additionally, the color of each spotlight shows its alignment to the goal pillars of OHA's 2024-2027 Strategic Plan. A legend is provided at the bottom of each page.

### Public Health

#### Facilitating CCO and local public health engagement

In multiple regions, local public health partners described overlapping and sometimes redundant community health assessment and community health improvement plan requirements and expressed a desire for deeper collaboration and alignment with the state's coordinated care organizations (CCOs). In response, OHA is working with the Oregon Health Policy Board, in collaboration with the Public Health Advisory Board, to revise the Public Health Advisory Board Guiding Principles for Health Care and Public Health Collaboration document, including a thorough review of community health assessment and community health improvement plan requirements and opportunities for further partnership. Additionally, public health staff have planned engagement with local public health authorities (LPHAs) through December 31, 2024, in order to identify ideal ways to work in partnership with CCOs and will work with OHA's Medicaid Division to ensure that LPHAs are included in the next phase of CCO contract planning and that better integration with LPHAs is prioritized in the next CCO procurement.



#### Action on childhood lead exposure

In Southern Oregon, partners described the need for greater action on childhood lead exposure. In order to increase access to both childhood blood lead testing and lead investigations, OHA's Medicaid Division just issued new rulemaking that ensures lead testing and investigations are reimbursed. Additionally, OHA's public health staff are discussing blood lead screening recommendations with CCO medical directors and by December 31, 2024, aim to develop a CCO incentive measure on childhood lead screening in coordination with OHA Health Policy & Analytics (HPA) Division staff, identifying how to use flexible services funding to cover lead-based paint remediation. Finally, the entire agency has committed to increasing childhood blood lead screening rates among Medicaid-enrolled children by making screening rates an outcome measure for the third goal (*Fostering healthy families and environments*) of its strategic plan.



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## Policy Issue Spotlights

### Supporting Sexually Transmitted Infection (STI) prevention, screening, and treatment

In the Willamette Valley, partners shared the impact of disappearing disease intervention specialist (DIS) workforce funding on their ability to adequately address sexually transmitted infections (STIs) in their communities. In response, OHA's public health division has committed to developing and implementing a new funding model to maximize resources for LPHAs for STI prevention, screening and treatment. The Public Health Division will develop funding strategies that will be shared with the Conference of Local Health Officials for discussion at the end of 2024 and will continue to work with federal funders to identify possible flexibilities to maximize resources. Additionally, the Public Health Division is partnering with Medicaid and HPA to develop an In Lieu of Services (ILOS) Medicaid provision related to HIV/STI testing by early 2025 that will allow community health workers (CHWs) and other members of the STI workforce to be reimbursed for services provided to CCO Members under the standing orders of an advanced practice provider.



## Medicaid

### Simplifying reimbursement for doulas

In Southern Oregon, partners described the importance of doula care (non-medical support during and after pregnancy) on positive maternal and birth outcomes and highlighted the difficulty that many doulas have in seeking reimbursement through Medicaid. OHA recognizes the need to create more community-based doula hubs to help self-employed doulas navigate the complexities of Medicaid billing. Doula hubs allow groups of doulas registered as Traditional Health Workers to bill together instead of as individuals. The doula hub model has proven successful in helping doulas navigate the billing process and has supported OHA to improve delivery of services. OHA is therefore both pursuing a federal grant to support the expansion of the doula hub model across the state and seeking funding in the 2025 state legislative session to scale doula hubs.



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## Policy Issue Spotlights

### Scaling Medicaid reimbursement for street medicine

In multiple regions, partners asked about the ability of providers to bill for preventive, screening, diagnostic and treatment services delivered to individuals living on the street and other unsheltered environments. The federal Centers for Medicare and Medicaid Services (CMS) assigned a new billing code to non-permanent locations at the end of 2023 (through a place of service code) to reimburse health care professionals for providing outpatient services to people where they live. But this is not well known among providers, who also expressed a desire for technical assistance in using this new code to bill Medicaid for street medicine. By December 31, 2024, OHA's Medicaid Division has therefore committed to develop and disseminate formal guidance to partners explaining this update and how to use it in practice, with an offer of ongoing technical assistance. Additionally, OHA staff will explore existing billing data to determine how frequently CMS's new code is currently used, in order to guide future conversations and approaches to assistance.



### Ensuring awareness of reimbursement for community health workers (CHWs)

Across the state, partners described the challenges that community health workers (CHWs) have in billing Medicaid for services provided. CHWs play a critical role in improving both individual and population health by bringing their lived experience to provide care and address the upstream determinants of health of those they serve. Earlier this year, the agency released guidance on CHW enrollment, fee-for-service billing, and coding, with the goal of helping providers enroll in the Medicaid Management Information System (MMIS) and provide service to Medicaid beneficiaries, as CHWs are required to enroll as rendering providers who work and bill under the supervision of a licensed provider. By December 31, 2024, OHA's Medicaid and Equity & Inclusion divisions will partner to establish dedicated technical assistance to support provider organizations and payors in enrolling CHWs so that they may be appropriately reimbursed for their services. Additionally, OHA Medicaid staff will explore alternative payment methodologies in the future to best support CHWs and the care they provide.



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# Policy Issue Spotlights

## Health Policy and Analytics

### Better capturing urban-rural disparities

In Eastern Oregon, partners expressed concern that OHA's existing performance dashboards do not consistently or adequately disaggregate data by geographic setting – urban, rural, frontier – or otherwise allow for data to be parsed by geographic inequities. They asked that OHA use geographic data as well as race and ethnicity data to evaluate possible inequities produced by the urban-rural divide. The agency is therefore planning a significant update in 2025 to the CCO Performance Metrics Dashboard, which currently displays health outcome data 'sliced' by race, ethnicity, language, and disability and by CCO. The update will add geographic dimensions to all data, including urban and rural designations. It will also incorporate new data analysis tools from OHSU's Oregon Office of Rural Health that allow users to evaluate CCO metrics in terms of geographic units, called Service Areas, that are smaller than counties but larger than zip codes and census tracts.



### Increasing health care access through alternative payment models

Across the state, partners asked how alternative payment models, such as prospective population-based value-based payment (VBP) models, could be leveraged to support providers and increase access to health care services for patients. Research shows that prospective population-based VBP models can increase the accessibility and financial sustainability of rural health care services. Across the country, prospective primary care population-based payments for a defined set of primary care services better positioned some rural practices to meet patients' care needs during the pandemic, while hospital global budgets that pay a pre-determined, fixed annual amount for hospital inpatient and outpatient facility services have been shown to stabilize cash flow to rural hospitals. In response to these requests and in recognition of the research, OHA will pilot both an outpatient primary care VBP model and a hospital global budget model in rural Oregon over the next year, which will help us better evaluate impact of these models in Oregon, as well as determine whether and how we might scale these models to other parts of the state.



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## Policy Issue Spotlights

### Strengthening and supporting rural health care facilities to prevent closures

In Eastern Oregon, and across the state, partners lamented the growing spate of hospital and health clinic closures affecting equitable access to care. This challenge is especially acute in rural communities where, amid falling birth rates and rising costs, hospitals are shuttering their maternity wards – forcing families to travel longer and wider to access basic obstetric care. To respond to these trends, OHA formed an internal workgroup this year tasked with identifying policies and administrative actions the agency can take to mitigate the risk of health facility and service line closures. As its first deliverable, the workgroup produced an internal Standard Operating Procedure to corral and coordinate what was previously a disjointed cross-agency response – including external technical assistance, patient safety protections, and appropriate notifications – in the event of an imminent facility closure. Now, the workgroup is researching state and federal policy levers, including workforce incentives and new payment models, that can shore up rural facilities and reduce the risk of closures. The agency's goal is to identify and implement in 2025 and 2026 a set of both immediate and longer-term policy actions to protect access to care, with a focus on perinatal services in rural communities.



### Sharing data to support value-based payment models

Several community health centers expressed a need for additional patient-level cost and utilization data from CCOs to make informed decisions when entering into risk-based value-based payment (VBP) arrangements, and to be successful in those arrangements. To respond to this need and make it easier for CCOs and providers to exchange this data, OHA partnered with the Oregon Primary Care Association (OPCA) and, this summer, interviewed all CCOs and 19 providers to learn about both barriers to and best practices for VBP data sharing. Over the next year, OHA will use the insights gleaned to:

- develop and disseminate specific voluntary data-sharing standards for CCOs,
- provide technical assistance and training to CCOs to support them in meeting these standards,
- monitor whether CCOs are voluntarily sharing with providers the data they need, and
- evaluate which data-sharing requirements to incorporate in future CCO contracts.



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# Policy Issue Spotlights

## Behavioral Health

### Investing in peer-delivered services

In Hood River, partners emphasized the importance of peer-delivered services, which are community-based services and supports provided by peers, peer support specialists, and peer wellness specialists to individuals or family members with similar lived experience, either as a current or former recipient of substance use, problem gambling, or mental health services. OHA is investing in peer-delivered services through two significant state funding requests: \$10 million per biennium of direct investment into the peer-delivered services workforce and \$10 million per biennium for a community-based center of excellence for culturally specific community-based organizations providing behavioral health support, which would also increase funding for the Peer Regional facilitation Centers in counties across Oregon for the first time in 10 years. Beyond these requests for state funding, OHA's Behavioral Health division, which oversees the certification standards and rules for peer-delivered service providers, is additionally working to provide education and awareness to partners around peer-delivered services and continue negotiations with CMS around Certificate of Approval requirements for billing of peer-delivered services.



### Strengthening the community mental health workforce

Across the state, partners shared their difficulty recruiting and retaining trained mental health professionals to serve high-acuity patients in community mental health settings. Some Community Mental Health Programs (CMHP) asserted that OHA's rules changed a few years ago to allow non-licensed clinicians to move into private practice, under supervision, where this had previously been reserved for licensed clinicians only. Partners shared that this shift created a shortage of providers for CMHPs and other non-profit providers of BH services, as newly graduating therapists began moving into private practice while they completed their licensure process, rather than working in a public agency. OHA reviewed its records and conducted an internal scan of its policies, OARs, and prior guidance to evaluate these reports. And, in response to concerns, OHA will issue rulemaking in early 2025 that prohibits practice settings employing behavioral health providers registered as interns or licensed as non-clinical providers from billing Medicaid unless they hold either a certificate of approval – for instance, as a CMHP – or another OHA license – for instance, as a hospital – thereby ensuring that this critical workforce pipeline is directed toward our highest-need and highest-acuity settings in the state.



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## Policy Issue Spotlights

### Supporting Contingency Management

In the Portland metro region, partners asked what more OHA could do to support Contingency Management (CM), a behavioral therapy in which desired behaviors are reinforced with cash, prizes, or privileges. The State Opioid Response grant has funded several pilots through Opioid Treatment Programs that have affirmed the success of CM, and the current evidence base supports CM as the single most effective treatment for stimulant use disorders. By spring of 2025, therefore, OHA's Behavioral Health and Medicaid divisions will apply for a federal 1115 SUD Demonstration waiver that will include, for the first time, a request that Medicaid cover CM services. If this application is approved, this waiver and all relevant services will start on April 1, 2026. This [article](#) from the US Department of Health and Human Services has greatly informed our approach to the application as it highlights the utility of CM for individuals with SUD.



### Strengthening the crisis response system with mobile crisis teams

In the Portland metro area, partners requested flexibility in meeting the two-person requirement for mobile crisis teams, citing difficulty in meeting the requirement overnight. The two-person requirement, based on SAMHSA best practices, was built into rule effective January 2023. However, OHA has recognized that there are barriers to implementation of the new rule due to workforce challenges. In response, OHA's Behavioral Health division issued emergency rulemaking that will retain flexibility for one-person mobile crisis teams through June 2025, allowing CMHPs additional time to develop sustainable two person teams. In the meantime, OHA will continue to offer CMHPs technical assistance on establishing, recruiting for, and leveraging Medicaid matching dollars for mobile crisis teams.



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## Policy Issue Spotlights

### Meaningfully addressing administrative burden in behavioral health

In multiple regions, partners described a high degree of administrative burden faced by behavioral health providers, with negative impacts on provider morale and care delivery. OHA has undertaken three workstreams to address administrative burden among these providers: (1) the HB 2235 Workforce Workgroup, (2) a study required by HB 4092, and (3) the Tackling Administrative Burden (TAB) workgroup (TAB). The HB 2235 Workforce Workgroup will issue recommendations on a variety of topics that impact workforce, including administrative burden, in December 2024. The HB 4092 study will evaluate state laws, administrative rules, and contracts that affect behavioral health care providers and CCOs and, by December 15, will issue findings and recommendations for eliminating redundancies, contradictions and outdated language. OHA will use these recommendations as well as additional county-specific case studies it is conducting this winter to identify and initiate rulemaking in 2025 to reduce administrative burden, starting with CMHP providers. OHA's Behavioral Health Division will also develop a single definition of administrative burden to evaluate against potential policy changes at the point of practice. Finally, the TAB workgroup was a legislatively mandated workgroup that met in 2021 and 2022 to develop 8 recommendations for OHA to eliminate administrative burden and increase efficiencies for behavioral health providers. While the agency struggled with initial delays, OHA's Behavioral Health Division has committed to implementing all 8 recommendations by the end of 2024 and will issue a formal memo to agency partners and workgroup members at that time outlining exactly what was done and how.



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## Thank you

The 2024 listening tour was one of the highlights of Director Hathi's first year and an incredible opportunity for mutual information-sharing and problem-solving between OHA and local communities, providers, payors, and other institutions across Oregon. Still, we know a singular set of visits is not enough: We must continue to proactively foster dialogue – to listen, learn, and act on the real needs and priorities of communities from Ontario to Astoria so OHA can truly appreciate, support, and facilitate the necessary work. We are committed, therefore, to continuing the tradition of regional visits throughout Director Hathi's tenure and look forward to hosting both virtual and in-person discussions across all 7 regions of Oregon over the coming months and years.

To learn more, reach out at [OHA.DirectorsOffice@odhsoha.oregon.gov](mailto:OHA.DirectorsOffice@odhsoha.oregon.gov)



# Oregon Health Authority Behavioral Health Residential+ Facility Study

## June 2024 Final Report

Public Consulting Group LLC

June 2024



**PUBLIC**  
CONSULTING GROUP

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## EXECUTIVE SUMMARY

This document is the Final Report for the Oregon Health Authority (OHA) Behavioral Health Residential+ Facility Study which complements the initial January 2024 Report.

It is important to note that this report should be viewed through the lens of a point in time, based on the selected facilities in scope. While the report is based on the current continuum of care, population, capacities, rules and regulations, it serves to initiate discussions at the State and local level for further evaluation and planning based onto the direction of need defined by bed and facility capacities. However, capacity needs should not be the sole focus when discussing the expansion of the behavioral health continuum. The broader behavioral health system encompasses more than just facility capacities; it also includes the availability of additional community programming, outpatient programs, staffing, and other supportive services, all of which impact the actual utilization of facility capacity. These programs and facilities play a crucial role within the behavioral health continuum and significantly influence capacity needs.

The data presented in this report may differ from the initial preliminary January 2024 report due to additional refinement and analysis in collaboration with OHA. Public Consulting Group (PCG) used a more recent data set provided by the OHA team and conducted further analysis to determine the current capacity for this June 2024 Final Report.

## PURPOSE AND SCOPE

Governor Kotek directed OHA to lead a new study to evaluate adult behavioral health facility capacity in Oregon. PCG contracted with OHA in July 2023 to complete a Behavioral Health Residential+ Facility Study to assess adult behavioral health facility capacity and unmet need for mental health residential, substance use residential, and withdrawal management facilities across the State. The following key tasks were the major components of this project:

- Collect data on the number and type of behavioral health facilities and their associated capacities and identify the gaps in the continuum by trauma system area.
- Conduct community engagement sessions with individuals in the State.
- Review available data and prioritize facility types by trauma system area.
- Develop funding allocation methodology to inform capital funding requests and distribution processes.
- Develop a final recommendations report that communicates the work completed and planning recommendations.

The following clinical facilities are within scope for this study and will be explored in more detail throughout the report:

- Hospitals
  - State Hospitals
  - Inpatient Psychiatric Facilities - Freestanding
  - Inpatient Psychiatric - Unit in Community Hospitals or General Hospitals
- Residential Mental Health Facilities
  - Residential Treatment Facilities (RTF)
  - Secure Residential Treatment Facilities (SRTF)
  - Residential Treatment Homes (RTH)
  - Adult Foster Homes (AFH)
- Substance Use Disorder (SUD) Facilities
  - Residential SUD Facilities
  - Clinically Managed Withdrawal Management Facilities
  - Medically Monitored Withdrawal Management Facilities
- Crisis Facilities

PCG was directed to use the trauma system areas in Oregon to map facilities across the State. Trauma system areas are based on patient referral patterns, resources, and geography and are defined by administrative rule ([OAR 333-200-0040](#).<sup>i</sup>) Each area has an [Area Trauma Advisory Board \(ATAB\)](#)<sup>j</sup> which is responsible for acting as a liaison between providers and the public as well as participating in trauma system area planning. There are seven trauma system areas in Oregon:

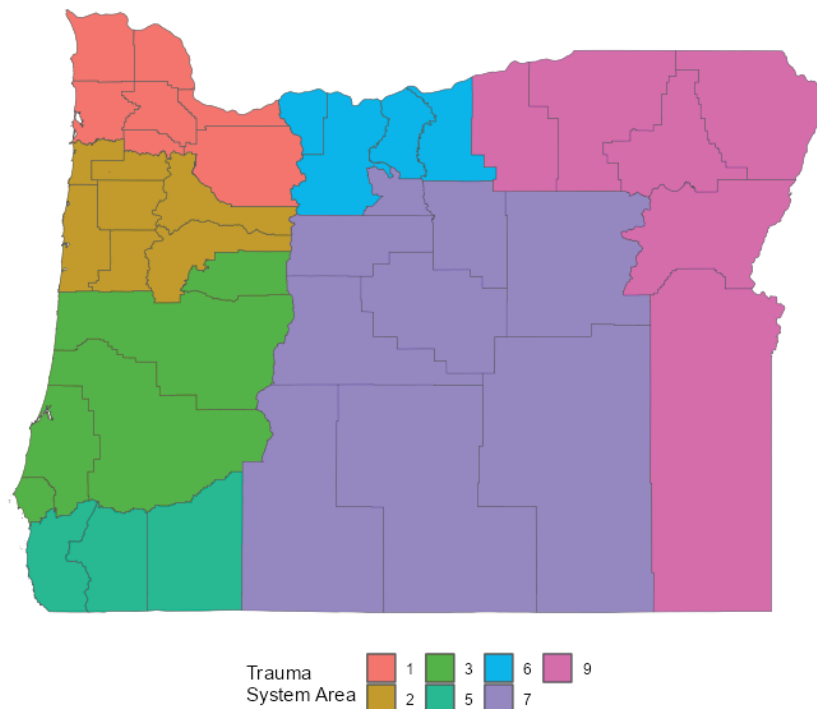
**Figure 1. Trauma System Areas**

Area 1 (ATAB 1) - Portland / N Coast	Clackamas County; Clatsop County; Columbia County; Multnomah County; Tillamook County (zip codes 97141, 97102, 97107, 97118, 97130, 97131, 97134, 97136, 97144, 97147); Washington County; and Yamhill County (zip codes 97111, 97115, 97119, 97123, 97132, 97140 and 97148 only);
Area 2 (ATAB 2) - Mid-Willamette Valley / N Central Coast	Benton County; Lincoln County; Linn County (zip codes 97321, 97322, 97327, 97333, 97335, 97336, 97346, 97348, 97446, 97350, 97352, 97355, 97358, 97360, 97374, 97377, 97383, 97389, 97392); Polk County; Marion County; Tillamook County (zip codes 97108, 97112, 97122, 97149, 97368, 97135); and Yamhill County (zip codes 97101, 97114, 97127, 97128, 97304, 97347, 97378, 97396);
Area 3 (ATAB 3) - S Willamette Valley / S Central Coast	Coos County; Curry County (zip codes 97450, 97465, and 97476 only); Douglas County, Lane County, and Linn County (zip codes 97329, 97345, 97386, 97413)
Area 5 (ATAB 5) - Southern Oregon / S Coast	Curry County (zip codes 97406, 97415 and 97444 only); Jackson County; and Josephine County;
Area 6 (ATAB 6) - Columbia Gorge	Gilliam County; Hood River County; Sherman County; and Wasco County (zip codes 97021, 97037, 97040, 97058, 97063);
Area 7 (ATAB 7) - Central Oregon	Crook County; Deschutes County; Grant County; Harney County; Jefferson County; Klamath County; Lake County; Wasco County (zip codes 97001 and 97057) and and Wheeler County; and
Area 9 (ATAB 9) - Eastern Oregon	Baker County, Malheur County, Morrow County; Umatilla County; Union County; and Wallowa County.

Figure 2 below graphically depicts the trauma system areas in Oregon.

**Figure 2: Oregon Trauma System Area Map<sup>ii</sup>**

Trauma System Areas with County Boundaries



## CURRENT AND PENDING FACILITY CAPACITY

While the qualitative data is imperative to our report and final recommendations, PCG focused on the quantitative data to understand the capacity and locations of Oregon behavioral health facilities across the State. Data collection and analysis for the Behavioral Health Residential+ Facility Study used a two-pronged approach consisting of the following key activities:

- Collect existing data on the inventory of Oregon's behavioral health facilities and capacities within the scope of this project.
- Develop and administer a provider survey to understand additional details about facilities, capacities, and challenges.

Current capacity for State Hospitals was received by the Oregon State Hospital. The current capacity for inpatient psychiatric facilities – freestanding and inpatient psychiatric units in community hospitals or general hospitals – was provided by the Public Health Division/OHA. The current capacity for mental health residential facilities, substance use disorder residential facilities, and withdrawal management facilities was provided by the Licensing & Certification team of the OHA. Data collected by OHA was used to identify state-funded facilities in progress and/or under construction. Based on this data, Table 1 summarizes the current and pending bed counts for the facilities within scope across all trauma system areas through March 1, 2024. Census data for beds per 100,000 population was retrieved from the United State Census Bureau.<sup>iii</sup>

## Key Findings:

1. Residential Substance Use Disorder Facilities have the highest bed count per capita with 1,418 total beds across the State representing 33.48 beds per 100,000 population.

2. Only one freestanding inpatient psychiatric facility is present in the State and is located in trauma service area 1 (Portland Metro/North Coast) with a total of 98 beds and 2.31 beds per 100,000 people.
3. There are 317 withdrawal management beds across the State which is inclusive of 8 clinically managed withdrawal management beds and 309 medically monitored withdrawal management beds representing .19 and 7.30 beds per 100,000 people, respectively.
4. Trauma system area 6 (Columbia Gorge) has the fewest number of total beds in the State with 0 Residential Treatment Facility beds serving the region.
5. Trauma system area 1 (Portland Metro/North Coast) has 1,921 total beds which is the highest number of beds compared to the other areas. Additionally, trauma system area 1 has 683 Residential SUD beds which is the most of any area in this facility category.

**Table 1: Current and Pending Capacity in Oregon**

Trauma System Area		ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
State Hospitals	Beds	0	502	75	0	0	0	0	577
	Beds per 100k	0.00	65.84	12.99	0	0	0	0	13.62
Inpatient Psychiatric Facility - Freestanding	Beds	98	0	0	0	0	0	0	98
	Beds per 100k	4.91	0	0	0	0	0	0	2.31
Inpatient Psychiatric - Unit in Hospital	Beds	213	51	60	24	0	15	0	363
	Beds per 100k	10.67	6.69	10.39	7.24	0	4.38	0	8.57
Residential Treatment Facility (RTF)	Beds	332	109	88	18	0	51	43	641
	Beds per 100k	16.64	14.30	15.24	5.43	0	14.91	24.89	15.13
Secure Residential Treatment Facility (SRTF)	Beds	127	106	131	72	0	96	55	587
	Beds per 100k	6.36	13.90	22.69	21.71	0	28.06	31.83	13.86
Residential Treatment Home (RTH)	Beds	154	94	65	40	0	15	20	388
	Beds per 100k	7.72	12.33	11.26	12.06	0	4.38	11.58	9.16
Adult Foster Home (AFH)	Beds	159	103	44	108	0	48	36	498
	Beds per 100k	7.97	13.51	7.62	32.57	0	14.03	20.84	11.76
Residential SUD Facility	Beds	683	100	202	116	0	127	190	1418
	Beds per 100k	34.23	13.12	34.99	34.98	0	37.12	109.96	33.48
Clinically Managed Withdrawal Management Facility	Beds	4	0	0	0	0	0	4	8
	Beds per 100k	0	0	0	0	0	0	2.32	0.19

Medically Monitored Withdrawal Management Facility	Beds	151	43	55	12	0	36	12	309
	Beds per 100k	7.57	5.64	9.53	3.62	0	10.52	6.95	7.30
<b>Total</b>	<b>Beds</b>	<b>1,921</b>	<b>1,108</b>	<b>720</b>	<b>390</b>	<b>0</b>	<b>388</b>	<b>360</b>	<b>4,887</b>

## COMMUNITY ENGAGEMENT

To provide important context to this project, PCG conducted community engagement activities through interviews, focus groups, and discussions that engaged participants across Oregon. The objective of community engagement was to glean insights into the behavioral health care continuum from individuals with diverse experiences, knowledge, and involvement in behavioral health. It sought to grasp how their needs and challenges mirror the opportunities for enhancing and expanding the behavioral health landscape across the State. PCG conducted 23 key informant interviews, nine interviews with crisis facilities, two focus groups, and one tribal discussion during the community engagement period. PCG and OHA also conducted nine interviews with Community Mental Health Programs (CMHP's) focusing specifically on crisis services.

### Key Findings:

- Thirteen respondent types were included in the key informant interviews to ensure a diverse range of perspectives and experiences. This included individuals with lived and living experience. Across all respondent types, key thematic challenges emerged. The following themes centered around residential facilities, but also extended across the behavioral health continuum:
  - Staffing.** Staffing issues have hindered the facilities' ability to operate at full capacity and recruit and retain necessary staff. Addressing workforce issues needs to be prioritized when considering any capacity expansion.
  - Facility Access, Availability, and Experience.** A lack of access to facility-based care has led to long wait-times and a mismatch between the level of care needed and the level of care received. Certain critical populations face unique challenges when accessing care because of facility criteria and exclusions. Participants with lived experience also report negative experiences during residential treatment.
  - Funding and Facility Expansion Priorities.** There is a need to expand availability of services across the behavioral health continuum, but specifically SUD services, culturally specific services, care to meet complex and overlapping needs, services in rural areas, and peer-based services. Community partners stress that even with increased capacity, many vulnerable populations may remain underserved due to criteria exclusions. To address this issue, suggestions were made for the establishment of "no refusal" facilities, ensuring that critical mental health care services are accessible to all who need them, regardless of their circumstances or background.
  - Considering the Behavioral Health Continuum in Expansion Priorities.** Community partners emphasize the significance of strengthening community-based support and health-related social needs, particularly in housing. This approach can pave the way for robust community-based paths to care, reduce acuity among individuals seeking services, and shorten their length of stay.
- Two focus groups were convened during the Stakeholder Engagement period with the Oregon Black Brown Indigenous Advocacy Coalition (OBBIA) and with Caregivers with Lived Experience. The following key themes emerged from these focus group sessions:
  - Racism and Stigma
  - Leadership
  - Support for Small Organizations and Culturally Specific Providers
  - Communication with Families
  - Quality of Care

- Hopelessness
- Many of the key themes from the key informant interviews and focus groups were also discussed during the tribal discussion, which included representatives from the nine federally recognized tribes of Oregon. The following key themes emerged:
  - Prioritizing Use of Culturally Specific, Tribal-Based Practices
  - Relationship-Building
- PCG and OHA also conducted nine interviews with CMHP's that are currently operating crisis services and/or plan to open facilities in the future. These conversations aimed to understand the services being offered, the delivery model, the number of people served, the challenges and barriers, the staffing models, and the plans for expanding crisis services in their county. In addition to understanding the services provided, the following key themes emerged when discussing operational experience:
  - Staffing and Workforce Issues
  - Funding Limitations
  - Unavailability of beds at the level of care needed.

## CAPACITY NEEDS

PCG conducted a statewide capacity analysis related to crucial community-based services identified by OHA as high priorities which includes mental health residential treatment facilities and homes, secure residential treatment facilities, and SUD residential treatment and withdrawal management treatment facilities. During the capacity analysis, key areas emerged as opportunities to increase capacity to improve access to care and provide the right treatment at the right time to those in need. Highlights for each service modality and capacity needs are reflected below in Table 2 and discussed in more detail further in the report.

In terms of inpatient psychiatric bed capacity, limited analysis was completed on current capacity of general hospital distinct psychiatric units, freestanding psychiatric hospitals and State hospital beds at the direction of OHA due to prioritized treatment facility types. However, it appears this treatment modality requires additional beds to support Oregon's infrastructure according to data used to analyze treatment capacity. The target figures derived from our analysis, categorized as capacity opportunities, aim to establish a foundation for addressing gaps in the State's care continuum and mitigating regional discrepancies in access to specific types of beds. While PCG has determined the required number of beds, our methodology specifically assigns additional inpatient bed capacity to general, community, or freestanding facilities, rather than State inpatient psychiatric beds. We chose not to designate the allocation of facility bed types, believing that such decisions are best made by the State or communities where bed needs are identified, based on the acute psychiatric inpatient requirements of each geographic region.

## Key Findings:

1. Inpatient psychiatric - freestanding and inpatient psychiatric - unit in general hospitals account for 461 of the inpatient psychiatric beds in the State, which are not evenly distributed across the trauma service regions. Trauma system areas 6 (Columbia Gorge) and 9 (Eastern Oregon) have zero inpatient psychiatric beds with a combined population of 226,458. A projection of 486 beds is needed to increase the number of beds in inpatient psychiatric inpatient facilities to support the infrastructure.
2. Funding from [HB 5202](#)<sup>iv</sup> and [HB 5024](#)<sup>v</sup> has supported the creation of 356 new mental health residential (exclusive of adult foster homes), SUD residential, and withdrawal management beds, which are currently under construction and scheduled to be open by 3rd quarter 2025.
3. Oregon is projected to have 1,029 mental health residential treatment facility or home beds, equivalent to 24.29 beds per 100,000 population by the 3rd quarter of 2025, meeting the anticipated needs. Nevertheless, considering an average of 26.71 patients in this type of facility over a 10-year period, an additional 102 beds could be added to further expand capacity.



4. Oregon is projected to have 587 SRTF beds by the third quarter of 2025. 198 beds are needed across the State to equate to a total of 785 total SRTF beds in Oregon.
5. SUD residential treatment facilities appear to need the largest number of beds—2,357—based on estimates derived from the [Substance Abuse and Mental Health Services Administration's Calculating for an Adequate System Tool \(CAST\)](#), as reported in the [2022 Oregon Substance Use Disorder Services Inventory and Gap Analysis](#).<sup>vi</sup>
6. Withdrawal Management is projected to need an additional 571 beds based on the same [Substance Abuse and Mental Health Services Administration's Calculating for an Adequate System Tool \(CAST\)](#) model, as reported in the [2022 Oregon Substance Use Disorder Services Inventory and Gap Analysis](#).<sup>vi</sup>

**Table 2. Capacity Analysis Statewide**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> (Includes State & Community Hospital Beds)	1,038	0	1,038	486	1,524	46.81%
<b>Mental Health Residential Facility</b> (RTF & RTH only)	810	219	1,029	102	1,131	9.94%
<b>Secure Residential Treatment Facility</b> (Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)	510	77	587	198	785	33.77%
<b>SUD Residential Facility</b>	1,374	44	1,418	2,357	3,775	166.22%
<b>Withdrawal Management Facility</b> (Clinical & Medical)	301	16	317	571	888	180.13%
<b>Totals</b>	4,033	356	4,389	3,714	8,103	84.63%



**Table 3. Capacity Analysis ATAB 1 (Portland / N Coast)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	311	0	311	229	540	73.63%
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	419	67	486	48	534	9.88%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	127	0	127	93	220	73.23%
<b>SUD Residential Facility</b>	639	44	683	1,110	1,793	162.52%
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	139	16	155	269	424	173.55%
<b>Totals</b>	1,635	127	1,762	1,749	3,511	99.26%

**Table 4. Capacity Analysis ATAB 2 (Mid-Willamette Valley / N Central Coast)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	51	0	51	87	138	170.59%
<b>Mental Health Residential Facility (RTF &amp; RTH only)</b>	140	63	203	18	221	8.87%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that re part of Oregon State Hospital)</i>	106	0	106	36	142	33.96%
<b>SUD Residential Facility</b>	100	0	100	424	524	424.00%
<b>Withdrawal Management Facility (Clinical &amp; Medical)</b>	43	0	43	103	146	239.53%
<b>Totals</b>	440	63	503	668	1,171	132.80%

**Table 5. Capacity Analysis ATAB 3 (S Willamette Valley / S Central Coast)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	60	0	60	66	126	110.00%
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	84	69	153	14	167	9.15%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	115	16	131	27	158	20.61%
<b>SUD Residential Facility</b>	202	0	202	321	523	158.91%
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	55	0	55	78	133	141.82%
<b>Totals</b>	516	85	601	506	1,107	84.19%

**Table 6. Capacity Analysis ATAB 5 (Southern Oregon / S Coast)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	24	0	24	38	62	158.33%
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	38	20	58	8	66	13.79%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	72	0	72	16	88	22.22%
<b>SUD Residential Facility</b>	116	0	116	185	301	159.48%
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	12	0	12	45	57	375.00%
<b>Totals</b>	262	20	282	292	574	103.55%

**Table 7. Capacity Analysis ATAB 6 (Columbia Gorge)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	0	0	0	6	6	*
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	0	0	0	1	1	*
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	0	0	0	3	3	*
<b>SUD Residential Facility</b>	0	0	0	30	30	*
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	0	0	0	7	7	*
<b>Totals</b>	0	0	0	47	47	*

\*Percentage increase not available when Total Projected Capacity by 3<sup>rd</sup> Qtr 2025 is zero.

**Table 8. Capacity Analysis ATAB 7 (Central Oregon)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	15	0	15	39	54	260.00%
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	66	0	66	8	74	12.12%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	48	48	96	16	112	16.67%
<b>SUD Residential Facility</b>	127	0	127	190	317	149.61%
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	36	0	36	46	82	127.78%
<b>Totals</b>	292	48	340	299	639	87.94%



**Table 9. Capacity Analysis ATAB 9 (Eastern Oregon)**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> <i>(Does not include State Hospital Beds)</i>	0	0	0	20	20	*
<b>Mental Health Residential Facility</b> <i>(RTF &amp; RTH only)</i>	63	0	63	4	67	6.35%
<b>Secure Residential Treatment Facility</b> <i>(Current Capacity Includes 165 SRTF beds that are part of Oregon State Hospital)</i>	42	13	55	8	63	14.55%
<b>SUD Residential Facility</b>	190	0	190	96	286	50.53%
<b>Withdrawal Management Facility</b> <i>(Clinical &amp; Medical)</i>	16	0	16	23	39	143.75%
<b>Totals</b>	311	13	324	151	475	46.60%

\*Percentage increase not available when Total Projected Capacity by 3<sup>rd</sup> Qtr 2025 is zero.

## FUNDING NEEDS

PCG provided estimates for the forecasted costs to expand behavioral health capacity in Oregon for the facilities within our project scope in this Report. These numbers solely encompass capital expenses and do not encompass other costs like staffing or operational expenses. Our analysis utilized national research on capital costs, data from the behavioral health investment team, data from RFIs submitted to OHA, and RS Means Data Online<sup>vii</sup> to estimate the capital costs of new facilities in Oregon between all sources. These estimates serve as a starting point for Oregon to determine the projected capital investment costs.

### Key Findings

The table below represents the estimated capital investments costs needed to address the projected capacity needs in Oregon.

**Table 10. Forecasted Need and Capital Costs**

Facility Type	Projected Capacity Needed	Average Capital Cost per bed	Total Projected Capital Investment Costs
<b>Mental Health Residential (RTF &amp; RTH)</b>	102	\$187,777	\$19,153,254
<b>Secure Residential Treatment Facility</b>	198	\$352,720	\$69,838,560
<b>SUD Residential Facility</b>	2,357	\$249,952	\$589,136,864
<b>Withdrawal Management Facility (Clinical &amp; Medical)</b>	571	\$275,580	\$157,356,180
<b>Total</b>	3,228		\$835,484,858

PCG recognizes that this figure surpasses our initial estimate from the January 2024 Draft Report. The upward revision stems from two key reasons. First, a more recent data set and a precise assessment of existing and anticipated capacity throughout the State resulted in an elevated requirement for beds needed in Oregon. Second, at the direction of the OHA, PCG utilized CAST scores solely for the SUD residential facility and withdrawal management bed needs, which increased the total number of beds needed in the State. Furthermore, our conclusive analysis incorporates supplementary data points related to capital expenses, offering a more comprehensive perspective for evaluating the projected capital costs. It is essential to note that these forecasted costs are estimations based on the data provided, with the acknowledged limitations outlined in this report.

## FUNDING METHODOLOGY AND FIVE-YEAR PLAN

At the direction of OHA, PCG outlined a five-year plan based on the analysis of state and national benchmarks used within this report to identify capacity goals for each bed type assessed within scope. Our roadmap for capacity planning outlines essential milestones yearly by bed type and ATAB region to lay the groundwork for developing capacity to meet the needs of Oregonians based on numerous factors. The five-year plan should be used to create situational awareness, develop practical solutions, and identify potential implications and funding strategies for each geographical region and facility type. The outlined five-year plan is designed to successfully add capacity each year to support the needed bed growth outlined within this report; however, the creation or adding new beds or building new facilities may not solve all access or capacity issues identified through our research, community engagement sessions, and analysis.

While new beds or facilities may alleviate some of the pain points accessing services at the time of need, the following items should be considered by the State to successfully implement a five-year capacity plan to the fullest extent possible:

- Workforce capacity to support the addition of new beds or facilities.

- Other behavioral health or SUD service availability, access, and funding which supports individuals to remain in the community.
- Supportive and transitional housing availability and access.

## Key Findings

PCG's 5-year plan includes the following target milestones for increasing capacity for the facilities within scope:

**Table 11. Five Year Plan for Increasing Capacity – Statewide with Inpatient Psychiatric Facility Beds**

Calendar Year	CY25	CY26	CY27	CY28	CY29
<b>Bed Capacity</b>	757*	748*	745*	734*	728*

\*Includes inpatient psychiatric facility beds

The five-year plan funding allocation uses the total number of beds from our five-year capacity plan and the average cost per bed from our analysis to determine the total estimated funds for each calendar year. As noted above, inpatient facility capacity needs were included in the five-year plan for expanding capacity across each calendar year. However, the primary focus of this report is on capacity and funding for residential facility needs, rather than inpatient psychiatric beds. Consequently, the funding allocation plan is based on the total number of beds earmarked each calendar year within the five-year plan related to mental health residential facilities (RTF, RTH, and SRTF), SUD residential facilities, and withdrawal management facilities (both clinical and medical). The total number of beds for the five-year plan for these facilities and their associated costs is noted below in Table 12.

**Table 12. Projected Five-Year Plan Funding Allocation**

Calendar Year	CY 25	CY 26	CY 27	CY 28	CY 29
<b>Capacity Total</b>	657**	650**	648**	638**	634**
<b>Funding Total</b>	\$170,308,595	\$168,287,174	\$167,658,873	\$165,022,865	\$164,121,780

\*\*Does NOT include inpatient psychiatric facility beds. These numbers solely reflect residential beds.

PCG understands that Oregon is prioritizing increasing its facility capacity to serve individuals across the State seeking behavioral health services. Oregon can use the following 5-year plan as a roadmap to guide decisions to increase mental health residential, SUD residential, and withdrawal management facilities. Though the plan is for five years, there are several “quick wins” from this plan which are noted below:

- In the first year (Calendar Year 25), the plan details adding 657 residential facility beds across the State of Oregon.
- In the first year (Calendar Year 25), 67 of those 657 residential facility beds will benefit those seeking mental health residential services in RTFs, RTHs, and SRTFs.
- In the first year (Calendar Year 25), 590 of the 657 residential facility beds will serve those seeking SUD residential or withdrawal management services.
- Additionally, those 657 beds are distributed appropriately across the State to serve Oregonians in **every** trauma system area in the State.
- The first year (Calendar Year 25) includes additional capacity for mental health residential facilities (RTFs, RTHs, SRTFs,), SUD residential facilities, and withdrawal management facilities in every trauma system area in Oregon which will allow individuals in every region of the State to see additional capacity built across the behavioral health services.

- The five-year plan also allocates mental health residential and SUD residential capacity in every calendar year so capacity in each area is expanding for the individuals in Oregon who are seeking these needed services.

## RECOMMENDATIONS

Evaluating the entire behavioral health care continuum is a complex process that requires a comprehensive understanding of a range of factors that contribute to the delivery of effective care. This report analyzes a portion of the facilities within the behavioral health continuum in Oregon and our recommendations are based on the data collected and analyzed as part of this study, coupled with feedback and input from community partners.

### **Key Findings:**

PCG's high level key findings and recommendations are included below and explained in more detail in our *Recommendations* section later in the report.

- **Development of Care Model and Strategy**
- **Analyze and Prioritize Workforce Development**
- **Expand Additional Facilities and Supports for Certain Populations**
  - Mental Health Residential Treatment Facilities
  - Mental Health Residential Treatment Homes and Secure Residential Treatment Facilities
  - Substance Use Disorder Residential Treatment in general and populations with co-occurring diagnosis.
  - Withdrawal Management Facilities
  - Develop Crisis Center Models, Strategies and Rules
- **Create Transparency, Awareness, Education, and Engagement**
- **Priority Areas for Further Analysis:** PCG understands there are a multitude of factors and considerations when identifying recommendations to expand behavioral health capacity in the State. There are many pieces of information that are outside of scope for our current report but should be further explored and reviewed to provide a more holistic representation of the behavioral health landscape in the State. These considerations are noted below:
  - Youth Population
  - Geriatric Population
  - Complex Needs
  - Forensic Population
  - Staffing and Workforce
  - Crisis Facilities
  - Quality of Care
  - Housing and Outpatient Programs
  - Insurance Payor/Type Acceptance
  - Operating Costs
  - Public Messaging
  - Strategic Planning
  - Advisory Committee

## INTRODUCTION

This document is the Final Report for the Oregon Health Authority (OHA) Behavioral Health Residential+ Facility Study which complements the initial January 2024 Report.

It is important to note that this report should be viewed through the lens of a point in time, based on the selected facilities in scope. While the report is based on the current continuum of care, population, capacities, rules and regulations, it serves to initiate discussions at the state and local level for further evaluation and planning due to the direction of need defined by bed and facility capacities. However, capacity needs should not be the sole focus when discussing the expansion of the behavioral health continuum. The broader behavioral health system encompasses more than just facility capacities; it also includes the availability of additional community programming, outpatient programs, staffing, and other supportive services, all of which impact the actual utilization of facility capacity. These programs and facilities play a crucial role within the behavioral health continuum and significantly influence capacity needs. The data presented in this report may differ from the initial preliminary January 2024 report due to additional refinement and analysis in collaboration with OHA. Public Consulting Group (PCG) used a more recent data set provided by the OHA team and conducted further analysis to determine the current capacity for this June 2024 Final Report.

## PROJECT SCOPE & REPORT OVERVIEW

Governor Kotek directed OHA to lead a new study to evaluate adult behavioral health facility capacity in Oregon. PCG contracted with the OHA in July 2023 to complete a Behavioral Health Residential+ Facility Study to assess behavioral health facility capacity and unmet need for mental health residential, substance use residential, and withdrawal management facilities in the State. The following key tasks are the major components of this project:

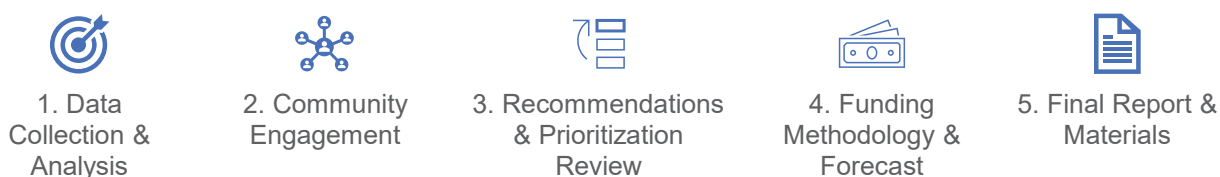
- Collect data on the number and type of adult behavioral health facilities and their associated capacities and identify the gaps in the continuum by trauma system area
- Conduct community engagement sessions with individuals in the State
- Review available data and prioritize facility types by trauma system area
- Develop funding allocation methodology to inform capital funding requests and distribution processes
- Develop a final recommendations report that communicates the work completed and planning recommendations

PCG worked closely with OHA to determine the facilities in the behavioral health care continuum that are within scope. After careful consideration, the following facility types have been included within scope for this engagement. PCG and OHA are aware that this does not represent the full care continuum in Oregon, however, these are the licensed clinical facilities explored in more detail throughout this report:

- Hospitals
  - State Hospitals
  - Inpatient Psychiatric Facilities – Freestanding
  - Inpatient Psychiatric – Unit in Community Hospitals or General Hospitals
- Residential Mental Health Facilities
  - Residential Treatment Facilities (RTF)
  - Secure Residential Treatment Facilities (SRTF)
  - Residential Treatment Homes (RTH)
  - Adult Foster Homes (AFH)
- SUD Facilities
  - Residential SUD Facilities
  - Clinically Managed Withdrawal Management Facilities
  - Medically Monitored Withdrawal Management Facilities
- Crisis Facilities

As part of this engagement, PCG was tasked with reviewing the behavioral health landscape in Oregon and making recommendations to the State that culminates in a 5-year plan to expand capacity across the State and meet the needs of Oregonians in their communities. The Behavioral Health Residential+ Facility Study is broken down into the following five phases:

**Figure 3. Project Phases**



**Data Collection & Analysis:** The first phase of this project was the Data Collection & Analysis phase. During this phase, PCG collected available data on the number and type of adult behavioral health facilities in each trauma system area and their associated capacities. To supplement the existing data, PCG also collected original data by designing and distributing a survey to identify behavioral health facilities across the State and their associated capacities and challenges. The methodology and analysis details are described below in the *Capacity Analysis* section.

**Community Engagement:** The second phase of this project was the Community Engagement phase. PCG completed focus groups, key informant interviews, and discussion sessions to learn more about the behavioral health care continuum from those who have diverse experiences, knowledge, and involvement in behavioral health across the State. The methodology, participants, and key themes from those conversations are detailed below in the *Community Engagement* section.

**Recommendations & Prioritization Review:** The third phase of this project was the Recommendations & Prioritization Review phase which involves reviewing available data sources and community engagement themes to determine the needs in each trauma system area. PCG reviewed the current facility capacities, survey responses, and the priorities identified through community engagement discussions to identify the priority areas for behavioral health facilities in the State. The recommendations are included below in the *Recommendations* section.

**Funding Methodology & Forecast:** The fourth phase was the Funding Methodology & Forecast phase. Following the Recommendations & Prioritization phase, PCG determined the costs and funding needs associated with the recommendations proposed for expanding capacity for behavioral health facilities within scope. The funding allocation methodology will inform future capital funding requests and the distribution processes. The funding needs are detailed below in the *Forecasted Behavioral Health Funding Needs* section.

**Final Report & Materials:** The fifth and final phase of this project was the Final Report & Materials phase. PCG completed this Final Report that effectively communicates the work described above and clearly articulates planning recommendations.

## LIMITATIONS, CONSIDERATIONS, & KEY ASSUMPTIONS

PCG presents the following limitations, considerations, and key assumptions for this report:

- This study is focused on facilities in Oregon. Facilities in other states were not included in the capacity analysis.
- The capacity data includes facilities licensed by the State. Facilities licensed at the local level may not be fully represented in this analysis.
- The capacity analysis is focused on the adult population. Child, Youth, and Adolescent facilities are not included in this report.
- The following facility types are not included within our current scope – they were reviewed and discussed with OHA and community partners but are not included in the capacity analysis due to

time limitations. Oregon should consider funding future studies that examine need and capacity in these settings:

- Supported Housing
  - Supportive and Transitional Housing
  - Community-Based Structured Housing
  - Sobering Centers
  - Recovery Housing
  - Sober Living Facilities
  - Outpatient Treatment Programs
  - Facilities Licensed by the Oregon Department of Human Services (Aging and People with Disabilities; Intellectual and Developmental Disabilities)
- Problem Gambling Residential Treatment and Recovery Services are included in the Substance Use Disorder Residential Facility inventory list.
- Community Hospitals are smaller local hospitals, which serve a localized population for general medical conditions usually without offering specialized services. While Community Hospitals serve a purpose and are vastly needed in the continuum of care, in the realm of behavioral health and substance use disorder treatment, they usually serve as an entry point to access care. Community Hospitals typically do not have specialized services or units for behavioral health and/or substance use treatment and are not included in this study and report. However, during the survey portion of the study, PCG did solicit feedback from Community Hospitals in relationship to behavioral health and substance use disorder patients, and sought information including diagnoses, wait times, dispositions, and challenges experienced to better understand if there are unmet needs in this setting.
- Inpatient Psychiatric Facility-Freestanding, Inpatient Psychiatric-Unit in a Hospital and State Psychiatric Hospital capacity, needs and analysis were limited during this project's scope. OHA determined the primary focus of this project needed to be on community treatment options including mental health residential treatment, substance use disorder residential treatment and withdrawal management.
- The project's scope was confined to facilities and bed capacities within the State of Oregon, focusing on bed capacity that could potentially be influenced by funding from the State. As of this Final Report, the data and scope did not include considerations for Oregonians seeking treatment across state lines or payments for services provided within or outside the State.
- The data points represent a momentary measurement and a snapshot of Oregon's facilities and capacities. Facility data was recorded up to March 1, 2024, and should be approached as an ongoing iterative process, considering the incorporation of new information, facilities, or beds. Furthermore, data on investments from HB 5202 and HB 5024 was derived from the information received and calculated through the 3rd quarter of 2025.



## FACILITY OVERVIEW

Table 13. Facility Overview

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
Adult Foster Homes	Adult Foster Homes (AFH)	Adult Foster Homes (AFH) are residential environments, providing services and assistance with activities of daily living to adults diagnosed with mental illness. Providers or a resident manager live on site, with up to 5 residents per home.	Licensed annually by Oregon Health Authority, Behavioral Health Division	Referral through Community Mental Health Program (CMHP)	<a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=5279">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=5279</a> .  Oregon Secretary of State Administrative Rules
Mental Health Residential Treatment Facilities	Residential Treatment Homes (RTH)	Unlocked residential environment, providing treatment services and support for activities of daily living to adults diagnosed with mental illness, which are staffed twenty-four hours a day with a capacity of up to 5 residents.	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division	Persons seeking treatment at an RTH, RTF or SRTF may contact their local CMHP.	<a href="https://oregon.public.law/statutes/ors_443.400">https://oregon.public.law/statutes/ors_443.400</a> .  <a href="https://oregon.public.law/statutes/ors_443.405">https://oregon.public.law/statutes/ors_443.405</a> .  <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029</a> .  <a href="https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCCond-Oregon.pdf">https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCCond-Oregon.pdf</a> .  <a href="https://www.artausa.org/residential-mental-health-program-types">https://www.artausa.org/residential-mental-health-program-types</a> .

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
					<a href="https://oregon.public.law/rules/oar_309-035-0105">https://oregon.public.law/rules/oar_309-035-0105</a>
Residential Treatment Facilities (RTF)		Unlocked residential environment, providing treatment services and support for activities of daily living to adults diagnosed with a mental illness, which are staffed twenty-four hours a day with a capacity of 6-16 residents. *One non-contracted licensed RTF facility has more than 16 residents (fully funded by Kaiser Permanente).	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division		<a href="https://oregon.public.law/statutes/ors_443.400">https://oregon.public.law/statutes/ors_443.400</a> . <a href="https://oregon.public.law/statutes/ors_443.405">https://oregon.public.law/statutes/ors_443.405</a> . <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029</a> . <a href="https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCond-Oregon.pdf">https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCond-Oregon.pdf</a> . <a href="https://www.artausa.org/residential-mental-health-program-types">https://www.artausa.org/residential-mental-health-program-types</a> . <a href="https://oregon.public.law/rules/oar_309-035-0105">https://oregon.public.law/rules/oar_309-035-0105</a>
Secure Residential Treatment Facilities (SRTF) Class 1 or 2		Provide locked residential environment, treatment services and support for activities of daily living to adults diagnosed with a mental illness, which are staffed twenty-four hours a day with a	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division		<a href="https://oregon.public.law/statutes/ors_443.400">https://oregon.public.law/statutes/ors_443.400</a> . <a href="https://oregon.public.law/statutes/ors_443.405">https://oregon.public.law/statutes/ors_443.405</a> . <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1029</a>

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
		capacity of 6-16 residents. *Two licensed SRTF facilities within OSH have more than 16 residents.			<a href="#">onRules.action?selecte dDivision=1029.</a>  <a href="https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCond-Oregon.pdf">https://aspe.hhs.gov/sites/default/files/2021-08/StateBHCond-Oregon.pdf</a> .  <a href="https://www.artausa.org/residential-mental-health-program-types">https://www.artausa.org/residential-mental-health-program-types</a> .  <a href="https://oregon.public.law/rules/oar_309-035-0105">https://oregon.public.law/rules/oar_309-035-0105</a>
	Class 1 Certification	Class 1 certification is approved under applicable administrative rules to be locked to prevent a person from leaving the facility, to use seclusion and restraint and to involuntarily administer psychiatric medications.	Certified every 2 years by Oregon Health Authority, Behavioral Health Division		
	Class 2 Certification	Class 2 certification is approved under applicable administrative rules to be locked to prevent a person from leaving the facility.	Certified every 2 years by Oregon Health Authority, Behavioral Health Division		
Hospitals	Inpatient Psychiatric Facility - Freestanding	A hospital that provides inpatient psychiatric services, has an inpatient psychiatric unit, and is devoted to the primary diagnosis and treatment of persons with mental illness.	Licensure is completed by the Public Health Division, Health Care Regulatory and Quality Improvement, and certification is completed by the Behavioral Health Division.	Accessed through emergency department, urgent care, crisis center, or through behavioral health evaluation by psychiatric provider or general practitioner.	<a href="https://www.cms.gov/medicare/health-safety-standards/certification-compliance/psychiatric-hospitals">https://www.cms.gov/medicare/health-safety-standards/certification-compliance/psychiatric-hospitals</a> .  <a href="https://www.hhs.gov/guidance/document/psychiatric-hospitals">https://www.hhs.gov/guidance/document/psychiatric-hospitals</a> .

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
Inpatient Psychiatric – Unit in Hospital		A hospital classified as a general or low occupancy acute care hospital that may provide inpatient psychiatric services and has a distinct inpatient psychiatric unit.	Licensure is completed by the Public Health Division, Health Care Regulatory and Quality Improvement, and certification is completed by the Behavioral Health Division.	Accessed through emergency department if the hospital has a dedicated inpatient psychiatric unit or by direct referral from another hospital emergency department, urgent care, crisis center, or through behavioral health evaluation by psychiatric provider or general practitioner.	<a href="https://www.cdc.gov/nchs/hus/sources-definitions/hospital.htm">https://www.cdc.gov/nchs/hus/sources-definitions/hospital.htm</a> <a href="https://www.britannica.com/science/hospital/The-general-hospital">https://www.britannica.com/science/hospital/The-general-hospital</a>
State Psychiatric Hospital		A hospital which provides the highest level of intensity of psychiatric inpatient care by limiting admissions to those most severely symptomatic individuals whose treatment and recovery needs cannot be met in a community treatment setting. State Hospital means any campus of the Oregon State Hospital (OSH) system.	Licensure is completed by the Public Health Division, Health Care Regulatory and Quality Improvement, and certification is completed by Behavioral Health Division.	(a) Direct referral by provider for a patient meeting one of the following categories and the criteria listed below: 1. Civil Commitment 2. Voluntary by Guardian 3. Guilty except for Insanity 4. Aid and Assist; and (b) The individual's condition or symptoms have not improved in an acute care setting despite having received a comprehensive psychiatric and medical assessment and treatment with medications for at least 7 days at an adequate dose and (c) the individual continues to require hospital level of care services, as evidenced	<a href="https://www.cms.gov/medicare/health-safety-standards/certification-compliance/psychiatric-hospitals">https://www.cms.gov/medicare/health-safety-standards/certification-compliance/psychiatric-hospitals</a> <a href="https://www.hhs.gov/guidance/document/psychiatric-hospitals">https://www.hhs.gov/guidance/document/psychiatric-hospitals</a> . The Vital Role of State Psychiatric Hospitals Technical Report July 2014.pdf ( <a href="https://nasmhpd.org">nasmhpd.org</a> ) <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1053">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1053</a> .

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
SUD Facilities (Withdrawal Management Facilities)	SUD Residential Treatment & Problem Gambling Residential Treatment	These programs provide residential treatment services for individuals with substance use and problem gambling disorders for individuals, including detoxification programs.	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division	Persons seeking professional substance use disorder or problem gambling treatment can locate providers by 1. Contacting an individual's health plan to find providers. 2. Finding local providers in the Oregon Substance Use Disorders Treatment Provider Directory.	<a href="https://doi.org/10.1176/aappi.ps.201300242">https://doi.org/10.1176/aappi.ps.201300242</a> <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1015">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1015</a> <a href="https://doi.org/10.1176/aappi.ps.201300242">https://doi.org/10.1176/aappi.ps.201300242</a> <a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1015">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectDivision=1015</a>
				by failure to meet the state hospital's criteria for readiness to transition; and (d) the individual's condition is not related to a primary medical condition, or a diagnosis outlined in OARs.	

	Facility Type	Brief Description	Licensing Authority	Service Access	Source
	SUD Withdrawal Management-Clinical	These programs provide residential treatment services for individuals with substance use and problem gambling disorders, under the guidance of clinical management, for individuals, including detoxification programs.	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division		<u>Withdrawal Management - Clinical Guidelines for Withdrawal Management and Treatment of Drug Dependence in Closed Settings - NCBI Bookshelf (nih.gov)</u>  <u><a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1924">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1924</a></u> .
	SUD Withdrawal Management-Medical	These programs provide residential treatment services for individuals with substance use and problem gambling disorders, under the guidance of medical management for individuals, including detoxification programs.	Licensed every 2 years by Oregon Health Authority, Behavioral Health Division		<u>Withdrawal Management - Clinical Guidelines for Withdrawal Management and Treatment of Drug Dependence in Closed Settings - NCBI Bookshelf (nih.gov)</u>  <u><a href="https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1924">https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=1924</a></u> .

## OREGON BEHAVIORAL HEALTH FACILITY CAPACITY ANALYSIS

In this section, PCG explores the adult behavioral health facility capacity in Oregon across the facilities in scope. Our methodology is detailed below, as well as the bed capacity analysis. The current and pending bed counts for each facility category are presented along with the number of beds per 100,000 population and a map of the beds in each trauma system area.

### DATA COLLECTION METHODOLOGY

PCG employed a triangulation approach, i.e., multiple data sources and methods were used to inform the results of this Behavioral Health Residential+ Facility Assessment. Quantitative data informed the extent to which there is a gap in services, for example, while qualitative data was used to better understand the challenges that facilities, providers, and those with lived experiences encounter. Together, the combined data sources help inform decisions for expanding capacity in the State. The data sources which have been used to inform the assessment are listed below:

**Figure 4. Data Collection Sources**

Quantitative Data Collection	Qualitative Data Collection
<ul style="list-style-type: none"> <li>•Licensing and Certification Data</li> <li>•Public Health Division</li> <li>•Hospital Data</li> <li>•Survey Data</li> <li>•Geolocations of Facilities And Providers</li> </ul>	<ul style="list-style-type: none"> <li>•Community Engagement</li> <li>•Key Informant Interviews</li> <li>•Focus Groups/Listening Discussions</li> <li>•Facility Visits</li> <li>•Survey Responses</li> <li>•Literature Review</li> </ul>

While the qualitative data is imperative to our report and final recommendations, PCG focused on the quantitative data to understand the capacity and locations of the Oregon behavioral health facilities across the State. Data Collection & Analysis for the Behavioral Health Residential+ Facility Study used a two-pronged approach consisting of the following two key activities:

- Collect existing data on the inventory of Oregon's adult behavioral health facilities and capacities
- Develop and administer a provider survey to understand additional details about facilities, capacities, and challenges

### Existing Data Collection

To complete this scope of work, PCG collected available data on the number and type of behavioral health facilities in each trauma system area and their associated behavioral health bed capacities. PCG met with over 50 individuals across Oregon to identify data sources and capacity counts for Oregon behavioral health facilities. While the list below is not exhaustive of every conversation that has taken place, PCG communicated with individuals from the following teams to gather information on behavioral health facilities and the behavioral health care continuum in Oregon:

- Oregon Health Authority, Office of Behavioral Health:
  - Office of Recovery and Resilience
  - Behavioral Health Equity and Community Partnership
  - Licensing and Certification
  - Social Determinants of Health
  - Intensive Services
  - 988 & Crisis System
  - Measure 110
  - Addiction Treatment, Recovery and Prevention Services
  - Older Adult Mental Health Services



- Oregon Health Authority, Medicaid
- Oregon Health Authority, Certified Community Behavioral Health Clinics Team
- Oregon Health Authority, Equity and Inclusion Division
- Oregon Health Authority, Office of Tribal Affairs
- Oregon Health Authority, Business Information Systems
- Oregon Health Authority, Health Policy and Analytics Division
- Oregon Health Authority, Public Health Division
- Oregon Housing and Community Services
- Oregon State Hospital
- Oregon Department of Human Services
- Oregon Health and Science University
- Blackbox Healthcare Solutions
- Apprise Health Insights (Data Subsidiary of Hospital Association of Oregon)
- Oregon Council for Behavioral Health
- Association of Community Mental Health Programs

In addition to the conversations noted above, PCG also communicated and aligned with other projects that are running concurrently:

- **Public Consulting Group SUD Financial Inventory:** A separate team within PCG is also contracted with OHA to provide an analysis and report on Oregon's SUD funding and investments. The study will include an inventory of public funds spent across the continuum of care (prevention, harm reduction, substance use treatment, and recovery services and supports), cost estimates to address unmet SUD needs, and revenue options for addressing unmet needs.
- **Oregon Behavioral Health Coordination Center (OBCC) Study:** OBCC is a state funded project, guided by Oregon Health & Science University (OHSU), in a collaborative approach with other health systems, community partners, and OHA. The Coordination Center will efficiently, effectively, and ethically:
  - Facilitate placement of adult & pediatric individuals within Oregon in need of acute or residential behavioral health services
  - Provide real-time data to improve transparency, efficiency, and placement coordination efforts
- **Oregon State University Public Analysis Laboratory (OPAL) Community Engagement.** OHA contracted with Oregon State University's Public Analysis Laboratory (OPAL) for continued community engagement efforts which began with HB 5024 Planning Grants to prioritize projects based on local need. OPAL's emphasis is on culturally specific and smaller grassroots organizations that face challenges competing for funding awards. The OPAL team has focused on a regionally based, community engagement effort through listening sessions. A consistent theme emerged, through the original planning grants progress reports and through the qualitative data obtained through the regionally based listening sessions, that collaborative, community-focused regionally based funding hubs would maximize housing development investments.

Information and existing data were collected from these conversations and used to inform the inventory of facility data for the facilities in scope. OHA and PCG determined that the Licensing and Certification (L&C) data would be the primary source of existing facility information along with the supplemental information from Oregon State Hospital and the Public Health Division. PCG worked hand-in-hand with the L&C team to review the data they maintain and determine the existing facilities and capacities in the State.

To collect additional information on facilities across the State, their associated capacities, and the challenges and barriers in the behavioral health care continuum, PCG and OHA decided to collect original data to inform the recommendations to expand behavioral health in Oregon.

## Original Data Collection

In addition to collecting available data from sources in Oregon, PCG created and disseminated a provider survey to collect original data for analysis. The survey was reviewed by the OHA team, the Oregon Council for Behavioral Health, and the Hospital Association of Oregon. The questions in the survey aimed to gather the following information about behavioral health facilities in Oregon:

- Name and location
- Licensure type
- Level of care provided
- Populations served
- Licensed capacity
- Full operational capacity (operational capacity is defined as the number of beds a facility intends to make available, assuming no staff or resource constraints.)
- Average staffed capacity (staffed capacity is defined as the maximum number of beds a facility is able to operate based on available staff and resources.)
- Staffing data and challenges
- Admission and discharge information
- Additional information on facility challenges or needs

The survey was distributed through the Hospital Association of Oregon, the Oregon Council for Behavioral Health (OCBH), and the Association of Oregon Community Mental Health Programs (AOCMHP). Additional details on the survey results are included in the *Provider Survey* section of this report.

## MAPPING

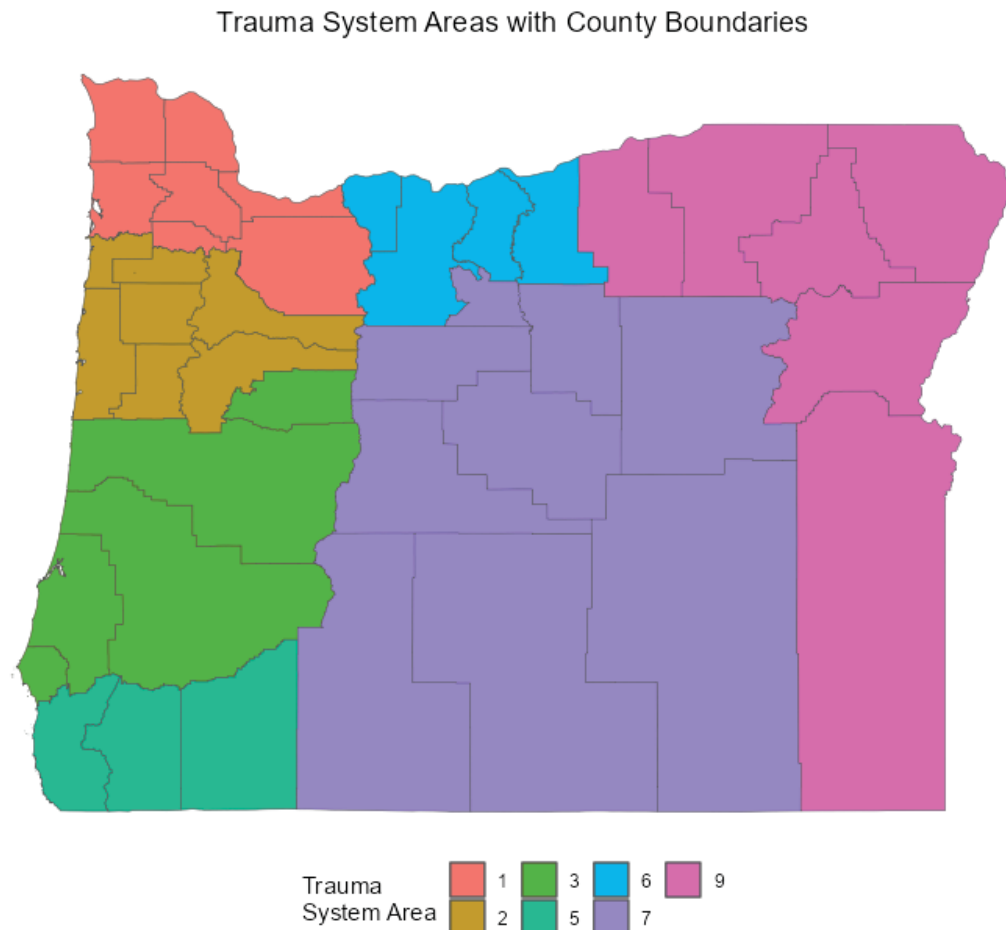
PCG was directed to use the trauma system areas in Oregon to map facilities across the State. Trauma system areas are based on patient referral patterns, resources, and geography and are defined by administrative rule ([OAR 333-200-0040](#)<sup>viii</sup>). Each area has an [Area Trauma Advisory Board \(ATAB\)](#)<sup>ix</sup>, which is responsible for acting as a liaison between providers and the public as well as participating in trauma system area planning. There are seven trauma system areas in Oregon:

**Figure 5. Trauma System Areas**

<b>Area 1 (ATAB 1)</b> - Portland / N Coast	Clackamas County; Clatsop County; Columbia County; Multnomah County; Tillamook County (zip codes 97141, 97102, 97107, 97118, 97130, 97131, 97134, 97136, 97144, 97147); Washington County; and Yamhill County (zip codes 97111, 97115, 97119, 97123, 97132, 97140 and 97148 only);
<b>Area 2 (ATAB 2)</b> - Mid-Willamette Valley / N Central Coast	Benton County; Lincoln County; Linn County (zip codes 97321, 97322, 97327, 97333, 97335, 97336, 97346, 97348, 97446, 97350, 97352, 97355, 97358, 97360, 97374, 97377, 97383, 97389, 97392); Polk County; Marion County; Tillamook County (zip codes 97108, 97112, 97122, 97149, 97368, 97135); and Yamhill County (zip codes 97101, 97114, 97127, 97128, 97304, 97347, 97378, 97396);
<b>Area 3 (ATAB 3)</b> - S Willamette Valley / S Central Coast	Coos County; Curry County (zip codes 97450, 97465, and 97476 only); Douglas County, Lane County, and Linn County (zip codes 97329, 97345, 97386, 97413)
<b>Area 5 (ATAB 5)</b> - Southern Oregon / S Coast	Curry County (zip codes 97406, 97415 and 97444 only); Jackson County; and Josephine County;
<b>Area 6 (ATAB 6)</b> - Columbia Gorge	Gilliam County; Hood River County; Sherman County; and Wasco County (zip codes 97021, 97037, 97040, 97058, 97063);
<b>Area 7 (ATAB 7)</b> - Central Oregon	Crook County; Deschutes County; Grant County; Harney County; Jefferson County; Klamath County; Lake County; Wasco County (zip codes 97001 and 97057) and and Wheeler County; and
<b>Area 9 (ATAB 9)</b> - Eastern Oregon	Baker County, Malheur County, Morrow County; Umatilla County; Union County; and Wallowa County.

Figure 6 below graphically depicts the trauma system areas in Oregon.

**Figure 6: Oregon Trauma System Area Map<sup>ii</sup>**



To generate the maps below, we obtained an [Administrative Boundaries Crosswalk map shapefile from Oregon Department of Human Services \(ODHS\)](#)<sup>x</sup>. This file contains zip code, county, and ATAB identifiers along with geographic data for mapping each piece into its correct location. We matched the facility data to these identifiers by zip code and county and calculated the total number of facilities and beds by zip code and county. To calculate beds per 100,000 population, we added Zip Code Tabulation Area populations from the 2020 Census.<sup>iii</sup> We used the ggplot2 package in RStudio to generate the maps below. The facilities are mapped by zip code, so the locations indicated on the maps are not the exact locations of those facilities but are in the associated zip code. Facilities may also be counted twice if the facility has beds for more than one category.

## CURRENT CAPACITY

Given the limitations identified above, this section offers a summary of each facility type encompassed in this project. Furthermore, tables and maps are employed to present the total bed counts for facilities in each trauma system area and the beds per 100,000 population rounded to the second decimal place. The population data comes from the [2020 US Census](#)<sup>iii</sup> by zip code tabulation area.

### Hospitals

#### State Hospitals

A State Psychiatric Hospital serves individuals statewide and provides the highest level of intensity of psychiatric care by limiting admissions to those most severely symptomatic individuals whose treatment and recovery needs cannot be met in a community treatment setting. State psychiatric hospitals are dedicated to the diagnosis and treatment of psychiatric and mental health conditions and operate twenty-four hours per day with a dedicated nursing staff and organized medical staff of psychiatrists and physicians. Additionally, State Psychiatric Hospitals care for a forensic population or may have a “forensic hospital” co-located with the State Psychiatric Hospital, serving individuals in the penal system. State Psychiatric Hospitals are generally considered a longer-term treatment option than acute care hospitals. Admissions to this level of care are deemed appropriate when:

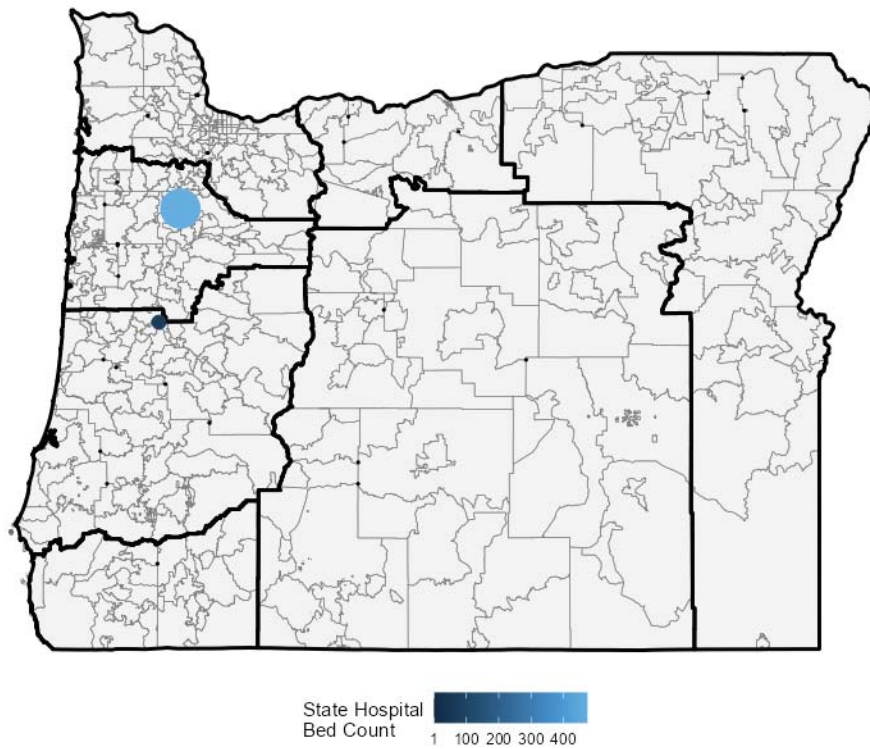
- (a) An individual's condition has not improved in an acute care setting despite receiving comprehensive psychiatric care and treatment for at least 7 days.
- (b) An individual continues to require hospital level of care, as evidenced by failure to meet the state hospital's criteria for transition readiness.
- (c) Admissions are not based upon a primary diagnosis such as an acute or existing medical or surgical condition requiring placement in a medical setting, delirium, neurodevelopmental disorders, neurocognitive disorders, substance use or substance abuse disorders, or personality disorders, except Borderline and Schizotypal Personality Disorders, with psychotic symptoms.<sup>xi</sup>

**Table 14. State Hospital Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	0	502	75	0	0	0	0	577

Beds per 100,000 population are not provided for State Hospitals as they serve individuals statewide.

**Figure 7. State Hospital Facility Bed Count Map**



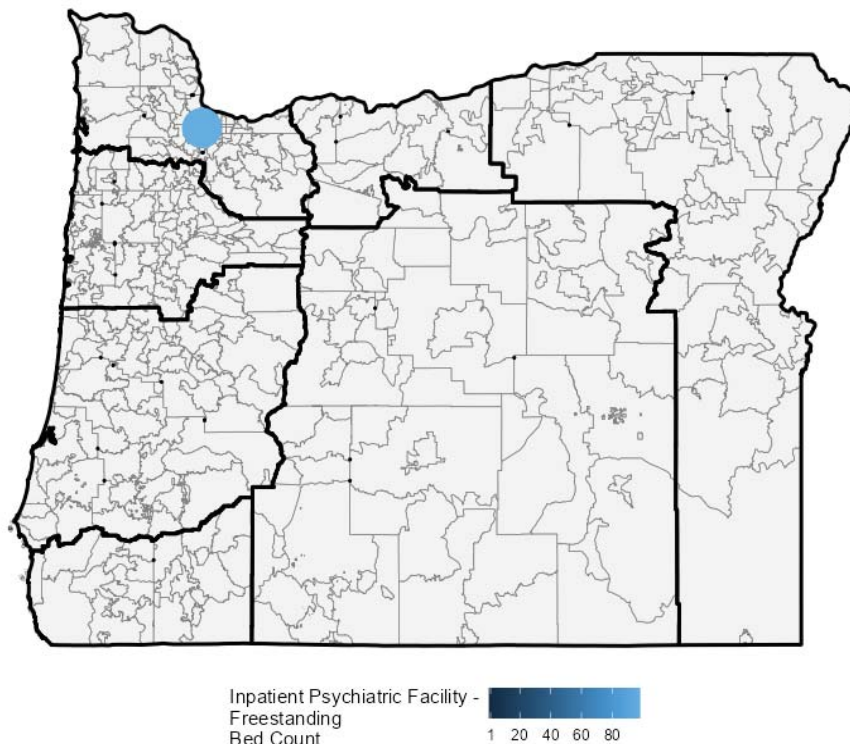
### ***Inpatient Psychiatric Facility – Freestanding***

A freestanding psychiatric hospital is a privately held hospital, dedicated to and specializing in the treatment of psychiatric disorders only. A facility with more than 16 beds is considered an Institution for Mental Disease (IMD) subject to Federal Medicaid IMD exclusion that prohibits Medicaid payments for inpatient stays for eligible recipients aged 22 through 64 years of age. A freestanding psychiatric hospital provides psychiatric service for the diagnosis and treatment of persons with mental illness by or under the supervision of a Doctor of Medicine or Osteopathy, satisfies requirements of the Social Security Act 1861(e)(3) through (e)(9), maintains clinical records to determine the degree and intensity of treatment provided, and meets staffing requirements to carry out active treatment for individuals receiving services.<sup>xii</sup>

**Table 15. Inpatient Psychiatric Facility - Freestanding Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	98	0	0	0	0	0	0	98
Beds per 100,000 Population	4.91	0	0	0	0	0	0	2.31

**Figure 8. Inpatient Psychiatric Facility - Freestanding Bed Count Map**





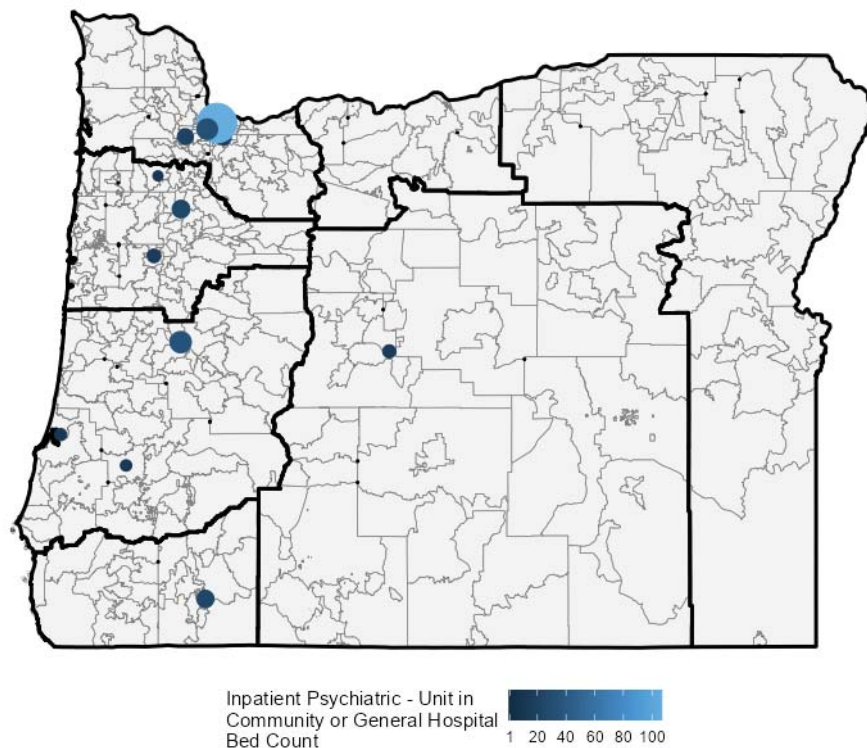
### ***Inpatient Psychiatric - Unit in Community or General Hospital***

Acute Care Hospitals (General or Low Occupancy) are a type of hospital which provides immediate and short-term treatment for acute medical conditions, injuries, and critical and life-threatening conditions. These hospitals have a governing body, an organized medical staff, 24-hour inpatient, outpatient services, and may perform surgical procedures. The primary focus is to diagnose, treat, and care for patients with short term or episodic medical conditions. Besides general medical conditions, Acute Care Hospitals may care for obstetrics or other specialties, such as mental health thus inpatient psychiatric unit in a community or general hospital. These facilities may have a distinct inpatient psychiatric unit, although not required, and treat psychiatric diagnoses in a dedicated inpatient psychiatric unit requiring hospitalization to manage and treat.<sup>xiii</sup>

**Table 16. Inpatient Psychiatric - Unit in Community or General Hospital Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	213	51	60	24	0	15	0	363
Beds per 100,000 Population	10.67	6.69	10.39	7.24	0	4.38	0	8.57

**Figure 9. Inpatient Psychiatric - Unit in Community or General Hospital Bed Count Map**



## Mental Health Residential Facilities

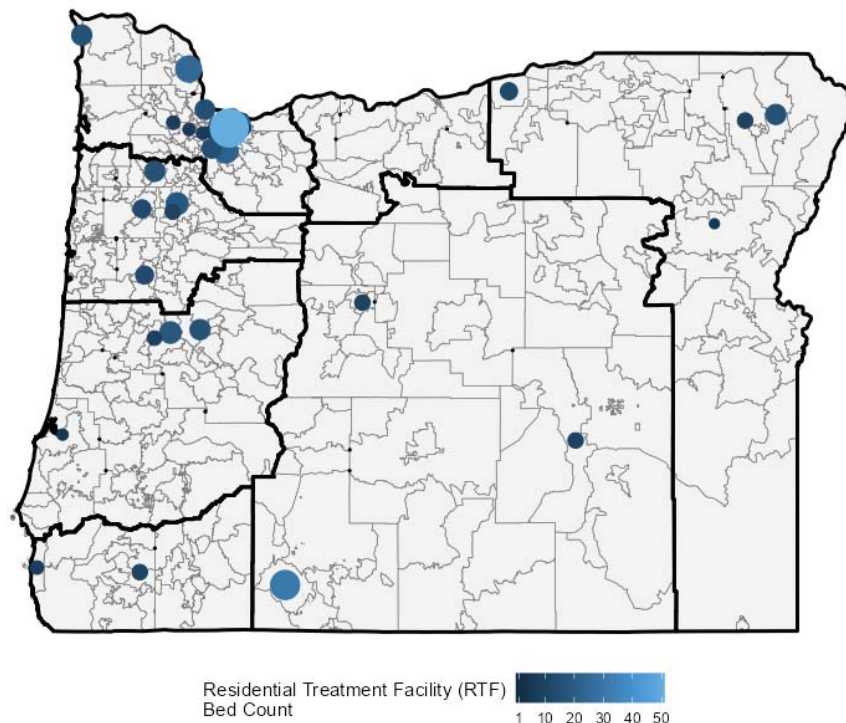
### Residential Treatment Facilities (RTF)

RTF's are community-based specialized treatment programs providing twenty-four hours per day care for 6-16 residents in a homelike environment (though there are a few contracted RTFs with more than 16 residents in Oregon). RTFs are voluntary, unlocked and staffed twenty-four hours per day to provide supervision and care to individuals with mental or emotional disorders in a structured environment. These environments are the next level of care below hospitalization, providing a safe residential option with support staff, and are geared toward skill building, intervention, training, crisis intervention, medication monitoring, and daily living support to assist individuals to live in a residential setting. RTFs are for those 18 years or older who need supervision to live independently in a community setting to avoid higher levels of services or hospitalization, who are a danger to themselves or others, or who otherwise would not be able to remain in the community. Each RTF is licensed every two years by the Oregon Health Authority, Behavioral Health Division.<sup>xiv</sup>

**Table 17. Residential Treatment Facility (RTF) Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	275	71	49	18	0	51	43	507
Beds per 100,000 Population	13.78	9.31	8.49	5.43	0	14.91	24.89	11.97

**Figure 10. Residential Treatment Facility (RTF) Bed Count Map**



### **Secure Residential Treatment Facilities (SRTF) – Class 1 & 2**

SRTF's are community-based specialized treatment programs, providing twenty-four hour per day care for 1-16 individual residents in a homelike environment. SRTF's differ from Residential Treatment Homes and Facilities by requiring exits from the home, facility, or grounds of the home or facility to be restricted through the use of locking devices. These environments are the next level of care below hospitalization, providing a safe and secure residential option with support staff and geared toward skill building, intervention, training, crisis intervention, medication monitoring, and daily living support to assist individuals to live in a community residential setting.

A SRTF provides services for an individual who does not require hospital level of care and treatment but does require a highly structured secure environment with supports and supervision seven days a week, twenty-four hours per day in a habilitative and/or rehabilitative program. This community based residential environment and treatment is required for the individual to live in the community due to a clinically documented mental illness within the last 90 days or from an authority-approved and standardized risk assessment conducted within the past year, presenting a risk in one of the following areas: (A) Clear intention or specific acts of bodily harm to others; (B) Suicidal ideation with intent, or self-harm posing significant risk of serious injury; (C) Inability to care for basic needs that results in exacerbation or development of a significant health condition, or the individual's mental health symptoms impact judgment and awareness to the degree that the individual may place themselves at risk of imminent harm; and/or (D) Due to the symptoms of a mental illness, there is significant risk that the individual will not remain in a place of service for the time needed to receive the services and supports necessary to stabilize the symptoms of a mental illness that pose a threat to the individual's safety and well-being. SRTF's (as well as other facility types) can be classified into two categories in Oregon, which are described below:

#### **Class 1**

Class 1 facilities are approved to be locked to prevent a person from leaving the facility, use seclusion and restraints as needed and directed by a Licensed Independent Provider (LIP), and involuntarily administer psychiatric medications as needed as directed by an LIP. These facilities include hospitals, regional acute psychiatric care facilities or other nonhospital facilities approved under Oregon Administrative Rule (OAR) 309-033-0530, or a state hospital or a residential facility operated by a state hospital on a state hospital campus or a facility in which the Division deems to restrict the liberty of a person substantially the same degree as other facilities in this class.

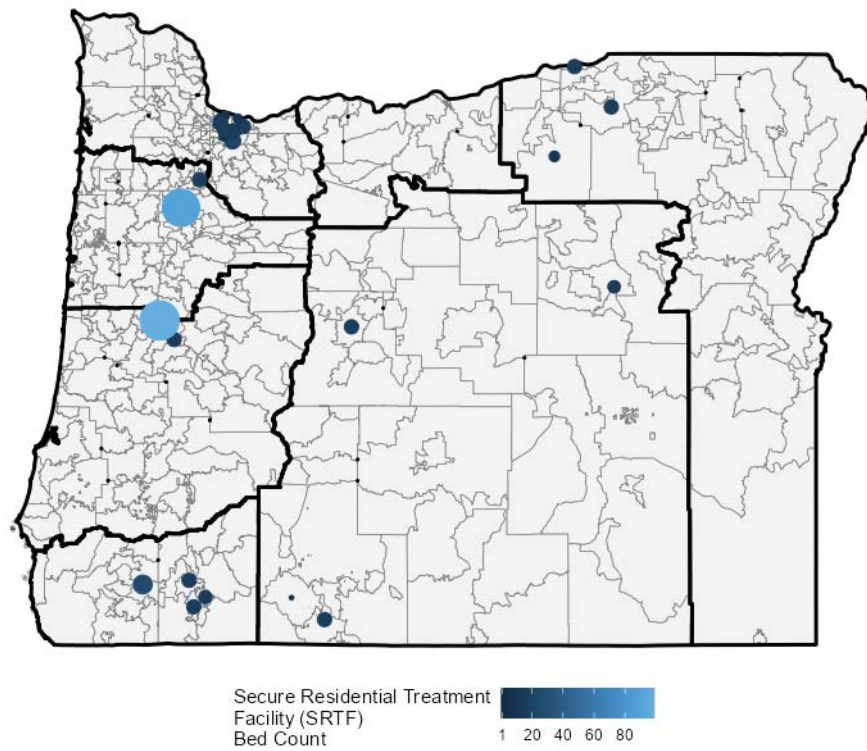
#### **Class 2**

Class 2 facilities are approved to be locked to prevent a person from leaving the facility. Class 2 facilities include a secure residential facility approved by the Division to be locked or a facility deemed to restrict the liberty of a person to the same degree as other facilities in this class by the Division. Class 2 facilities differentiate themselves from Class 1 by not allowing the use of seclusion and restraints or involuntary administration of psychiatric medications.<sup>xv</sup>

**Table 18. Secure Residential Treatment Facility (SRTF) Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	127	106	115	72	0	48	42	510
Beds per 100,000 Population	6.36	13.90	19.92	21.71	0.00	14.03	24.31	12.04

**Figure 11. Secure Residential Treatment Facility (SRTF) Bed Count Map**



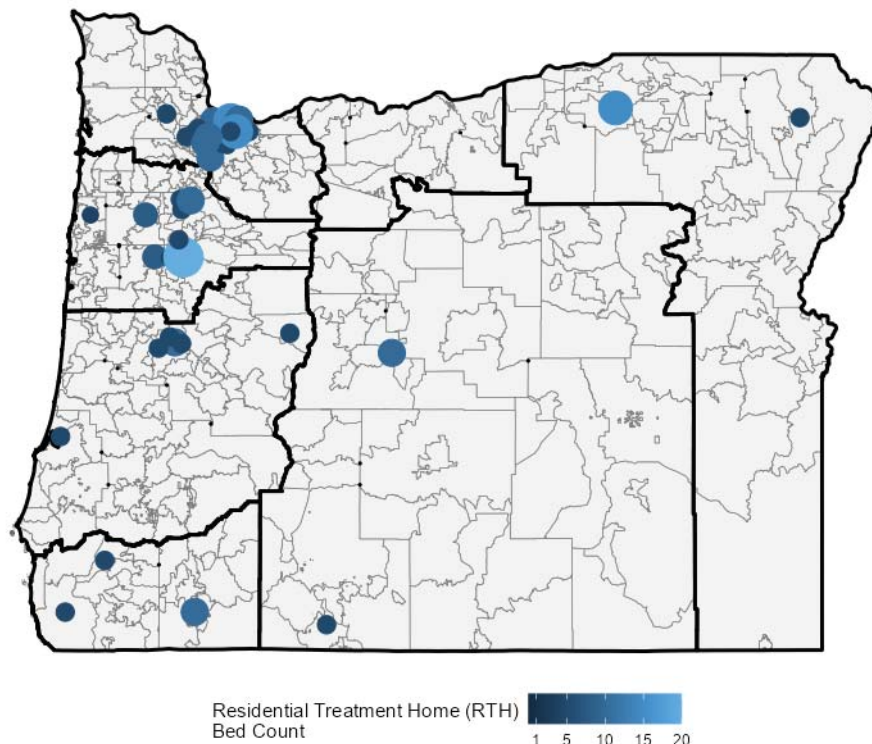
### Residential Treatment Homes (RTH)

RTH's are community based, specialized treatment programs, providing 24-hour care for up to 5 individuals in a homelike environment. RTH's are unlocked facilities, staffed twenty-four hours per day to provide supervision and care to individuals with mental or emotional disorders in a structured environment and accept individuals on a voluntary basis. These environments are the next level of care below hospitalization, providing a safe residential option with support staff, geared toward skill building, intervention, training, crisis intervention, medication monitoring, and daily living support to assist individuals to live in a community residential setting. RTH's are for those 18 years or older who need supervision to live independently in a community setting, to avoid higher levels of services or hospitalization, who are a danger to themselves or others, or who otherwise would not be able to remain in the community. Each RTH is licensed every two years by the Oregon Health Authority, Behavioral Health Division.<sup>xvi</sup>

**Table 19. Residential Treatment Home (RTH) Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	144	69	35	20	0	15	20	303
Beds per 100,000 Population	7.22	9.05	6.06	6.03	0.00	4.38	11.58	7.15

**Figure 12. Residential Treatment Home (RTH) Bed Count Map**





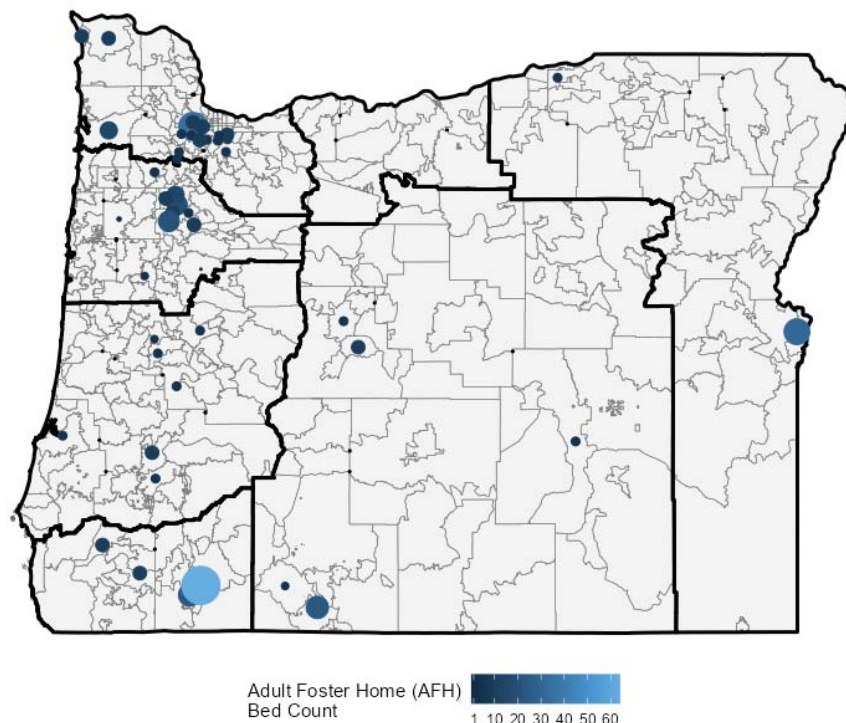
### Adult Foster Homes (AFH)

AFH's, which are inspected and licensed by the Oregon Health Authority, Behavioral Health Division annually, are single family residences that offer care in a homelike setting for adults diagnosed with mental or emotional disorders and provide a different level of care than an RTF or RTH. The capacity of an AFH is up to 5 residents per home, requiring individuals to meet the qualifications listed in the AFH OAR's. AFH's provide supervision and care twenty-four hours per day, requiring providers or resident managers to live or remain on-site. Referrals for admission to an AFH are made through CMHP. AFHs are often utilized by individuals who need assistance with daily tasks because of mental or emotional disorders, and they commonly provide a supervised environment for adults who are unable to live independently. AFH's typically provide services such as: assistance with personal daily care; preparing meals; social interaction; transportation; and assistance with medical, recreational, vocational, and shopping activities. The care and services are designed to uphold individuals' rights to independence, choice, and decision-making. Moreover, providers are required to cater to individual needs in a manner that encourages the utmost level of independence while ensuring a safe environment.<sup>xvii</sup>

**Table 20. Adult Foster Home (AFH) Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	159	103	39	108	0	48	36	493
Beds per 100,000 Population	7.97	13.51	6.75	32.57	0.00	14.03	20.84	11.64

**Figure 13. Adult Foster Home (AFH) Bed Count Map**



## Substance Use Disorder Residential Facilities

### Residential Substance Use Disorder Facilities

Residential substance use disorder treatment programs are publicly or privately operated programs, in a non-hospital setting, which provide assessment, treatment, rehabilitation, and 24-hour observation and monitoring for individuals with SUD's, consistent with Level 3 of the American Society of Addiction Medicine (ASAM) Criteria, 3rd Edition. ASAM Criteria is a standardized nomenclature scale used to determine levels of care and interventions to treat individuals with SUD's.

Residential SUD Treatment Programs provide services in a 24-hour structured environment for individuals who meet criteria, including diagnostic criteria for a moderate or severe substance use or addictive disorder, per Diagnostic and Statistical Manual of Mental Disorders (DSM-5-TR). Services provided include assessment, stabilization, development of treatment plan, group and individual counseling, case management and peer support, relapse prevention, medication monitoring and/or medication assisted treatment, education, and transitional care or support. Residential SUD Treatment Programs are licensed by Oregon Health Authority, Behavioral Health Division every 2 years.<sup>xviii</sup>

Residential SUD Facilities may also include Problem Gambling Treatment within a facility as described below:

### Substance Use Disorder and Problem Gambling Residential Treatment

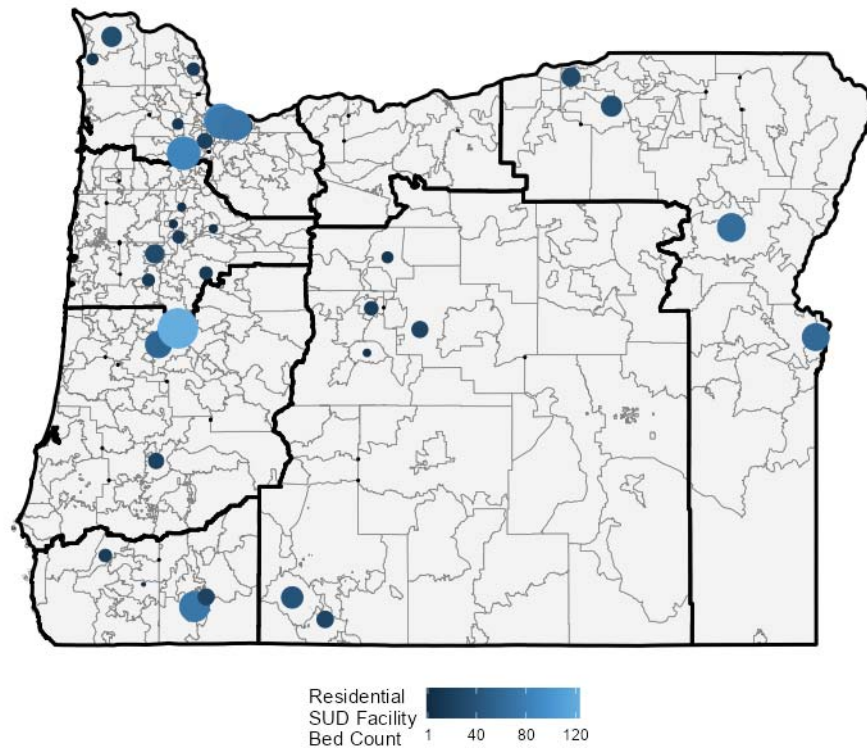
Residential problem gambling treatment programs are publicly or privately operated programs, licensed in accordance with OAR 415-012-0000 through 415-012-0090 that provide assessment, treatment, rehabilitation, and 24-hour observation and monitoring for individuals with gambling disorders. Treatment includes services such as group, individual, and family treatment consistent with addressing the challenges of an individual as they relate, directly or indirectly, to problem gambling behavior. Residential treatment may also include co-occurring disorders such as alcoholism, substance use, or other addictions, in addition to gambling. These programs provide residential environments and treatment services for individuals, and they are licensed every 2 years by the Oregon Health Authority, Behavioral Health Division.<sup>xix</sup>

**Table 21. Residential SUD Facility Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	639	100	202	116	0	127	190	1374
Beds per 100,000 Population	32.02	13.12	34.99	34.98	0.00	37.12	109.96	32.44



**Figure 14. Residential SUD Bed Count Map**



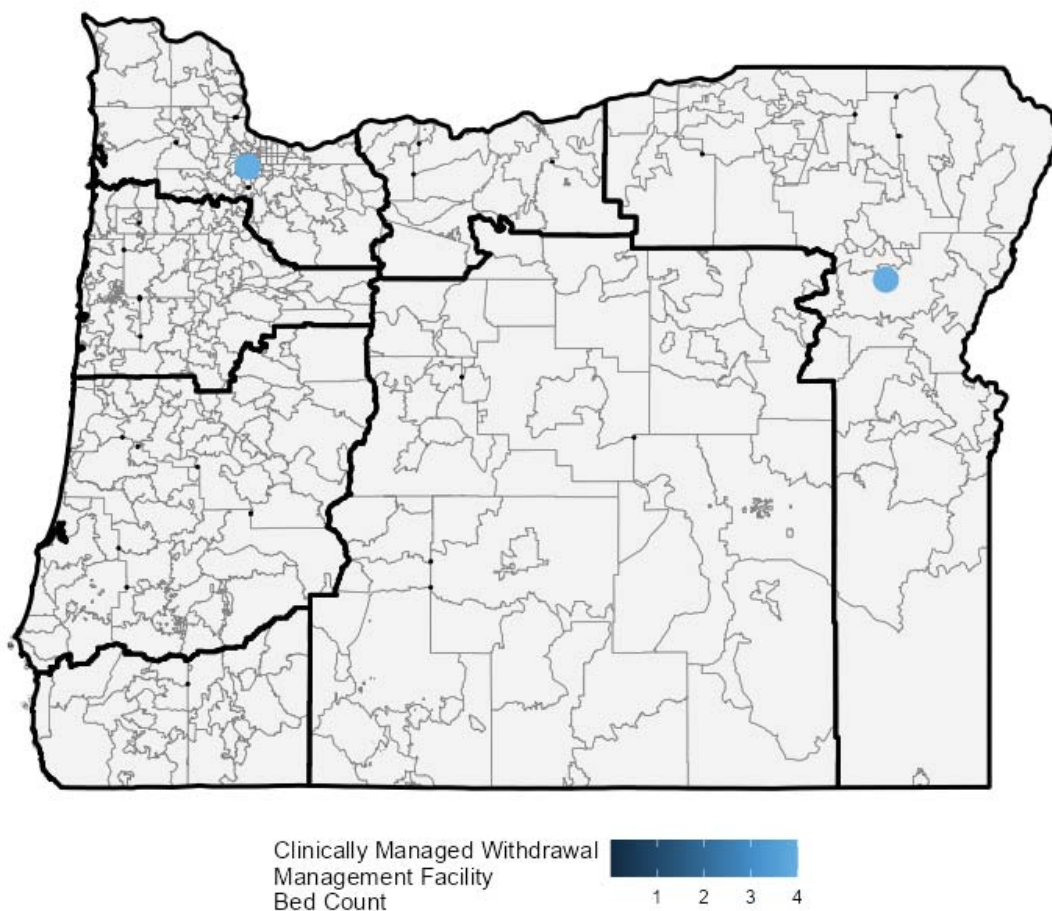
### **Clinically Managed Withdrawal Management Facilities**

SUD withdrawal management clinically managed programs are SUD treatment programs that are publicly or privately operated programs in a non-hospital setting and provide assessment, treatment, rehabilitation and 24-hour observation and monitoring for individuals with substance use disorder. Clinically Managed Residential Withdrawal Management (ASAM Level 3.2- WM) means a setting in which clinically managed services are directed by non-physician addiction specialists rather than medical and nursing personnel.<sup>xx</sup>

**Table 22. Clinically Managed Withdrawal Management Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	4	0	0	0	0	0	4	8
Beds per 100,000 Population	0.20	0	0	0	0	0	2.32	0.19

**Figure 15. Clinically Managed Withdrawal Management Bed Count Map**



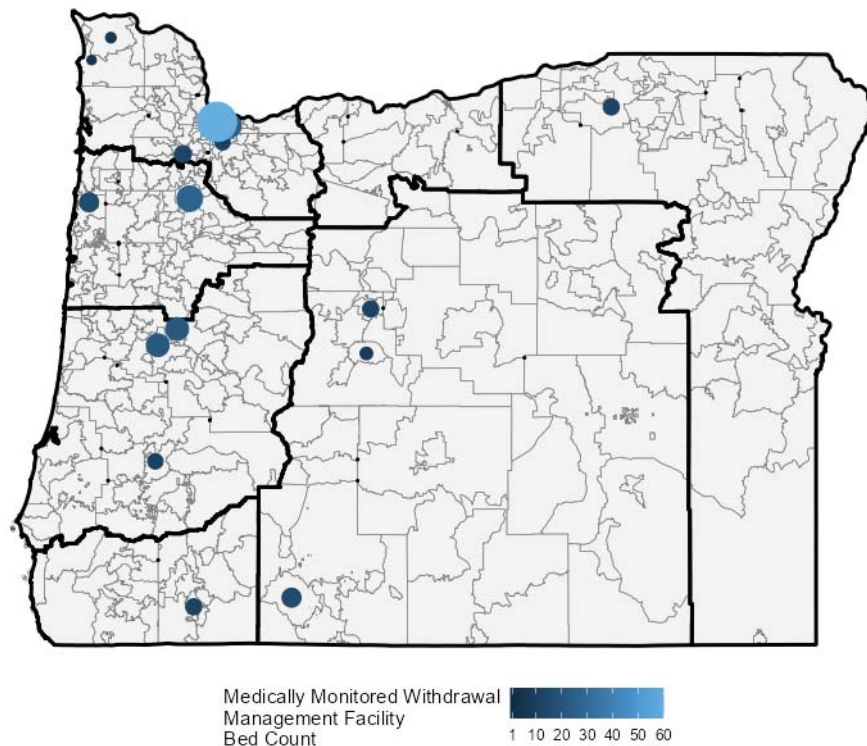
### Medically Monitored Withdrawal Management Facilities

SUD withdrawal management medically monitored programs are SUD treatment programs that are publicly or privately operated programs in a non-hospital setting and provide assessment, treatment, rehabilitation, and 24-hour observation and monitoring for individuals with SUD's. Medically Monitored Withdrawal Management (ASAM Level 3.7-WM) means an inpatient setting which provides medically monitored intensive inpatient treatment services. Such settings are also automatically licensed for the provision of lower-level services.<sup>xxi</sup>

**Table 23. Medically Monitored Withdrawal Management Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Number of Beds	135	43	55	12	0	36	12	293
Beds per 100,000 Population	6.77	5.64	9.53	3.62	0.00	10.52	6.95	6.92

**Figure 16. Medically Monitored Withdrawal Management Bed Count Map**



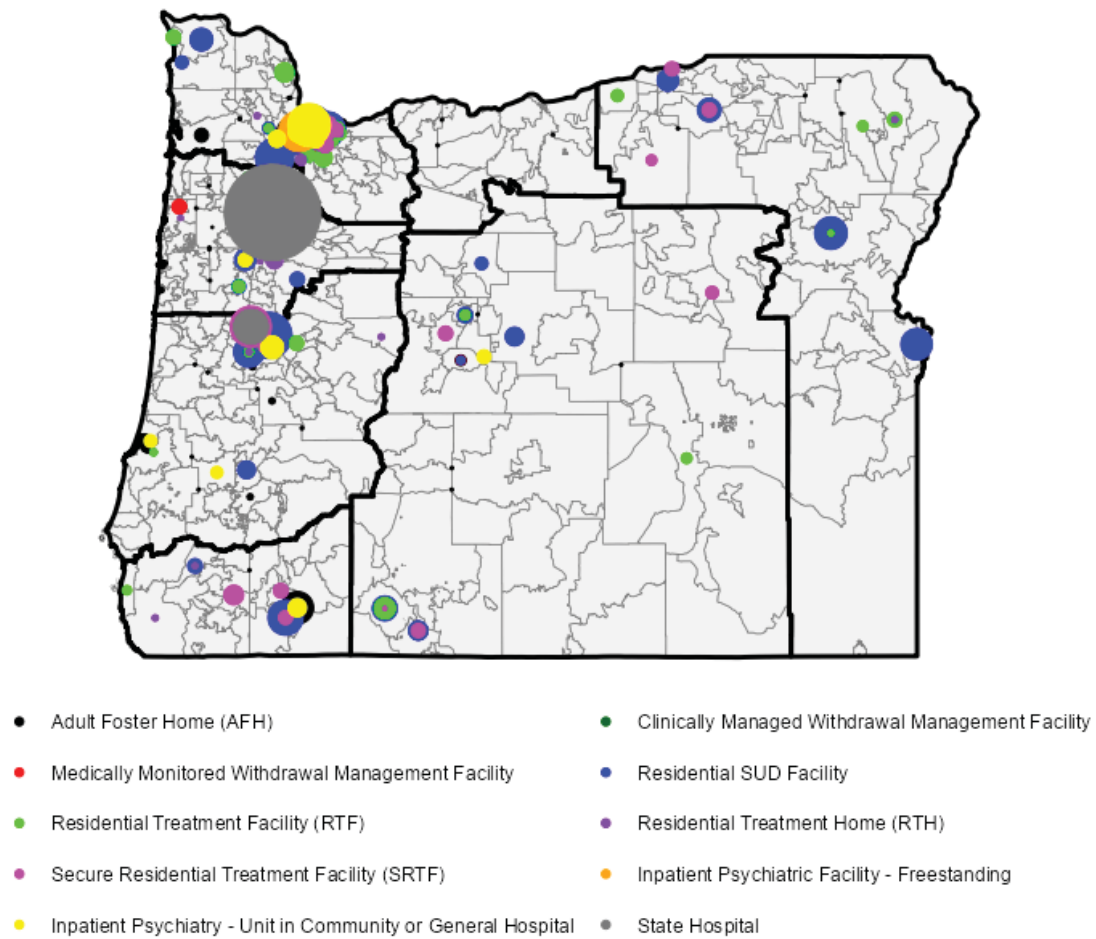
## REGIONAL SUMMARY

The Regional Summary below shows all facility types and bed counts by trauma system area across Oregon:

**Table 24. Regional Summary of Current Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
State Hospitals	0	502	75	0	0	0	0	577
Inpatient Psychiatric Facility - Freestanding	98	0	0	0	0	0	0	98
Inpatient Psychiatric - Unit in Hospital	213	51	60	24	0	15	0	363
Residential Treatment Facility (RTF)	275	71	49	18	0	51	43	507
Secure Residential Treatment Facility (SRTF)	127	106	115	72	0	48	42	510
Residential Treatment Home (RTH)	144	69	35	20	0	15	20	303
Adult Foster Home (AFH)	159	103	39	108	0	48	36	493
Residential SUD Facility	639	100	202	116	0	127	190	1374
Clinically Managed Withdrawal Management Facility	4	0	0	0	0	0	4	8
Medically Monitored Withdrawal Management Facility	135	43	55	12	0	36	12	293
<b>Total</b>	<b>1,794</b>	<b>1,045</b>	<b>630</b>	<b>370</b>	<b>0</b>	<b>340</b>	<b>347</b>	<b>4,526</b>

**Figure 17. Regional Bed Count Map**



### ADDITIONAL CAPACITY IN PROGRESS (PENDING FACILITIES)

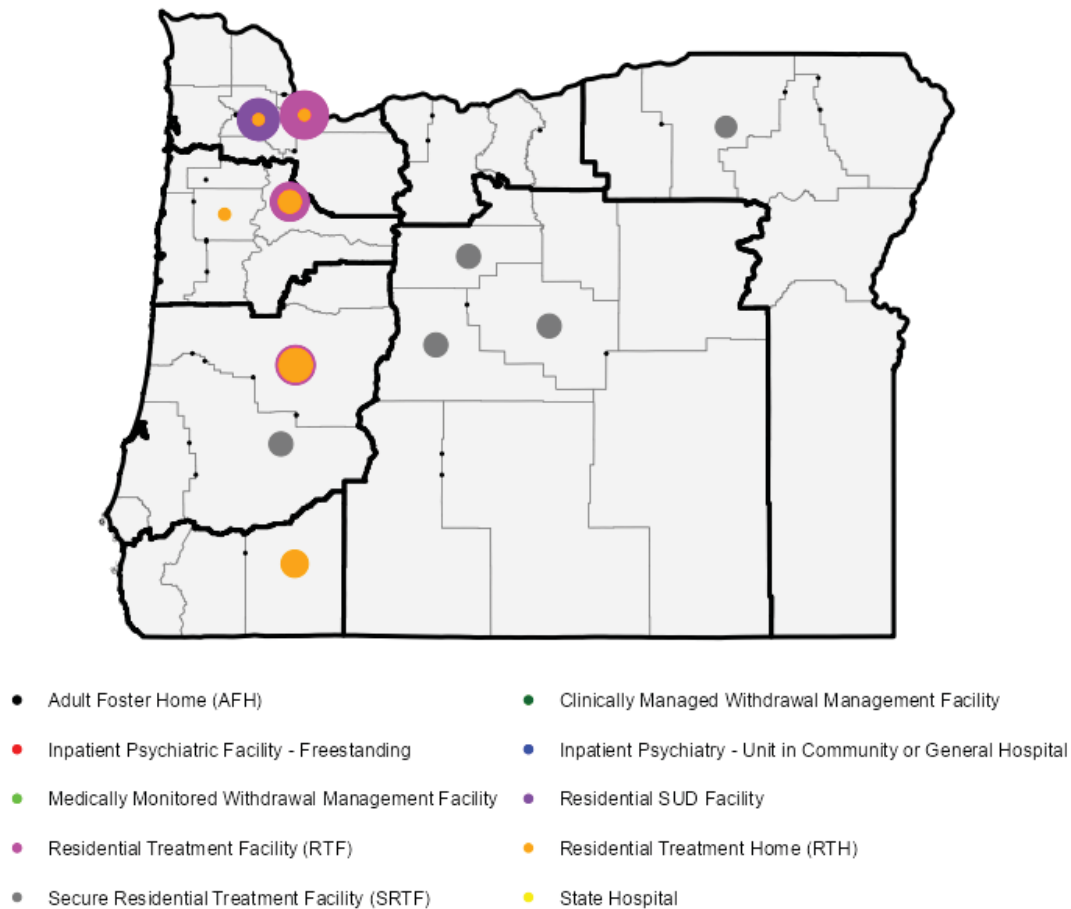
In addition to the current capacity in Oregon, there are several new facilities in progress, which, upon completion, will contribute to the overall capacity in the State, supplementing the existing infrastructure. PCG was provided with grant data on projects supported with investments from HB 5202<sup>iv</sup> and HB 5024<sup>v</sup> to identify the facilities with funding to expand capacity in Oregon. We received grant documents to determine the pending facilities within the scope. The licensed residential facilities were identified and analyzed to determine project type, facility type, projected bed capacity, county, and cost. PCG cross-referenced the current capacity inventory to determine the facilities that are not currently open and operating.

The table below shows the bed counts for the facilities in progress for the following types:

- New Construction
- Acquisition
- Renovation
- Purchase Remodel

**Table 25. Facilities in Progress Bed Capacity**

Trauma System Area	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
Residential Treatment Facility (RTF)	57	38	39	0	0	0	0	134
Secure Residential Treatment Facility (SRTF)	0	0	16	0	0	48	13	77
Residential Treatment Home (RTH)	10	25	30	20	0	0	0	85
Adult Foster Home (AFH)	0	0	5	0	0	0	0	5
Residential SUD Facility	44	0	0	0	0	0	0	44
Medically Monitored Withdrawal Management	16	0	0	0	0	0	0	16
<b>Total</b>	<b>127</b>	<b>63</b>	<b>90</b>	<b>20</b>	<b>0</b>	<b>48</b>	<b>13</b>	<b>361</b>

**Figure 18. Facilities in Progress Bed Count Map**

To note, PCG's analysis does not include 2024 legislative funded capacity from [HB 4002<sup>xxii</sup>](#) and [HB 5204<sup>xxiii</sup>](#). OHA informed PCG that the funding from the 2024 legislative session provided \$86.558 million to fund approximately 25 projects. These projects will provide a range of services from crisis stabilization to supportive housing to expanded treatment options for individuals in Oregon. The information below was provided by OHA directly to PCG to include in this report:

**House Bill 5204:** To address behavioral health facility capacity, this measure appropriates a total of \$83,408,000 General Fund to the Department of Administrative Services to distribute as follows:

**Table 26. HB 5204 Information Provided by OHA**

Organization	Total Funding Allocated	Project Description
<b>4D Recovery Center</b>	\$4,000,000	Multnomah County to support the acquisition of a facility to provide adolescent SUD residential and outpatient services
<b>Adapt Integrated Health Care</b>	\$5,000,000	Douglas County to support the construction of the Adapt Recovery Campus



<b>Addictions Recovery Center, Inc</b>	\$500,000	Jackson County for sobering center operations
<b>Addictions Recovery Center, Inc</b>	\$1,000,000	Jackson County to support the Substance Use Disorder Withdrawal Management Expansion project
<b>Benton County Health Department Behavioral Health Division</b>	\$5,000,000	Benton County to relocate Children and Family Services
<b>BestCare Treatment Services, Inc</b>	\$525,000	Deschutes county to expand detox capacity in Central Oregon
<b>BestCare Treatment Services, Inc</b>	\$1,500,000	Jackson County to develop culturally specific SUD residential treatment capacity
<b>Bridgeway Recovery Services, Inc</b>	\$11,500,000	Marion County for the development of the Bridgeway Medical Center and SUD treatment residential facilities
<b>Cascade AIDS Project</b>	\$4,000,000	Multnomah County to purchase the Prism Health facility located on North Morris Street, Portland, Oregon
<b>Clackamas County</b>	\$4,000,000	Clackamas County for the construction of a crisis stabilization center
<b>Clatsop County Behavioral Healthcare</b>	\$500,000	Clatsop County to acquire detox and SUD treatment residential beds
<b>Coos Health and Wellness</b>	\$400,000	Coos County for the development of a sobering center
<b>Deschutes County Community Mental Health Program</b>	\$1,500,000	Deschutes County to support the Deschutes County Stabilization Center
<b>Klamath Basin Behavioral Health</b>	\$2,400,000	Klamath County to support the construction of a RTF with a crisis stabilization center
<b>Lifeways, Inc</b>	\$5,750,000	Malheur County for the Ontario Medical Plaza project to convert
<b>Lincoln County Health and Human Services Department</b>	\$3,500,000	Lincoln County to support the Lighthouse Village Apartments Mental Health Housing project
<b>Multnomah County</b>	\$10,000,000	Multnomah County to support the construction of a behavioral health drop-off center
<b>New Directions Northwest, Inc</b>	\$600,000	Baker County to build a crisis receiving center addition to the Recovery Village Crisis Stabilization and Detox Center
<b>Transformations Wellness Center</b>	\$2,500,000	Klamath County for the construction of a residential, co-occurring, SUD treatment facility with detox beds
<b>Wallowa Valley Center for Wellness</b>	\$333,000	Wallowa County to support phase 2 of the Park Street Transitional Housing project

<b>Wasco County</b>	\$8,000,000	Wasco County to support the development of the Mid-Columbia Center for Living Campus
<b>Washington County Behavioral Health Division</b>	\$8,900,000	Washington County to support the development of the Center for Addictions Triage and Treatment project
<b>Willamette Family, Inc</b>	\$4,000,000	Lane County to support the construction of the Willamette Family Medical Detox and Resident Services facility
Total Allocated:	<b>\$85,408,000</b>	

*In addition, the measure appropriates \$1,150,000 General Fund on a one-time basis to the Department of Administrative Services for the following purposes (not BH)*

<b>Provider</b>	<b>Total Funding Allocated</b>	<b>Project Description</b>
<b>Portland Opportunities Industrialization Center</b>	\$1,000,000	For a peer-to-peer mentoring outreach program
<b>WomenFirst Transition and Referral Center</b>	\$150,000	To provide operational funding for detox services
Total Allocated:	<b>\$1,150,000</b>	

## CURRENT AND PENDING CAPACITY

For the remainder of this report, we assume the pending beds will be implemented and account for them in our bed counts for analysis. The table below shows the total number of current and pending bed counts in the State by the 3rd quarter 2025.

**Table 27. Current and Pending Bed Capacity** <sup>iii</sup>

Trauma System Area		ATAB 1 (Portland / N Coast)	ATAB 2 (Mid-Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Total
State Hospitals	Beds	0	502	75	0	0	0	0	577
	Beds per 100k	0.00	65.84	12.99	0	0	0	0	13.62
Inpatient Psychiatric Facility - Freestanding	Beds	98	0	0	0	0	0	0	98
	Beds per 100k	4.91	0	0	0	0	0	0	2.31
Inpatient Psychiatric - Unit in Hospital	Beds	213	51	60	24	0	15	0	363
	Beds per 100k	10.67	6.69	10.39	7.24	0	4.38	0	8.57
Residential Treatment Facility (RTF)	Beds	332	109	88	18	0	51	43	641
	Beds per 100k	16.64	14.30	15.24	5.43	0	14.91	24.89	15.13
Secure Residential Treatment Facility (SRTF)	Beds	127	106	131	72	0	96	55	587
	Beds per 100k	6.36	13.90	22.69	21.71	0	28.06	31.83	13.86
Residential Treatment Home (RTH)	Beds	154	94	65	40	0	15	20	388
	Beds per 100k	7.72	12.33	11.26	12.06	0	4.38	11.58	9.16
Adult Foster Home (AFH)	Beds	159	103	44	108	0	48	36	498
	Beds per 100k	7.97	13.51	7.62	32.57	0	14.03	20.84	11.76
Residential SUD Facility	Beds	683	100	202	116	0	127	190	1,418
	Beds per 100k	34.23	13.12	34.99	34.98	0	37.12	109.96	33.48
Clinically Managed Withdrawal Management Facility	Beds	4	0	0	0	0	0	4	8
	Beds per 100k	0	0	0	0	0	0	2.32	0.19
Medically Monitored Withdrawal Management Facility	Beds	151	43	55	12	0	36	12	309
	Beds per 100k	7.57	5.64	9.53	3.62	0	10.52	6.95	7.30
<b>Total</b>	<b>Beds</b>	<b>1,921</b>	<b>1,108</b>	<b>720</b>	<b>390</b>	<b>0</b>	<b>388</b>	<b>360</b>	<b>4,887</b>

## CRISIS FACILITY REVIEW

In addition to the licensed clinical facilities in-scope, PCG also reviewed the crisis facilities in Oregon. It is important to note that some of the crisis services or facilities in Oregon are not currently defined by State rules and do not have designated licensing and certification criteria at this time. The Behavioral Health Division is currently developing administrative rules for crisis stabilization centers which will provide certification requirements and minimum standards for services and care delivery. Therefore, PCG's report does not include an analysis on the current capacity of beds and recliners providing crisis services due to different facilities rendering crisis services in various ways while awaiting the defined rules and requirements from OHA. However, PCG has identified bed and recliner needs by county within this report based on the RI International Roadmap to Implementation of Oregon's 988 & Behavioral Health Crisis System report<sup>xxxviii</sup> and their analysis.

PCG has identified facility types and services provided within the crisis care continuum outlined in the chart below as provided by OHA. We recommend further assessments on crisis care once the State determines the appropriate rulemaking for providing and delivering crisis care throughout Oregon, analyzing facility capacity and subsequently analyzing against the RI International recommendations. The following information pertains to the crisis services and facilities in Oregon with information provided by the Oregon Health Authority.

**Table 28. Crisis Services Review**

Service or Facility Type	State Oversight	Services Provided
<b>Psychiatric Emergency Services (PES)</b>	<p>Oregon Health Authority Behavioral Health Division: Behavioral Health Services – Chapter 309 Division 23</p> <p><a href="#">Oregon Secretary of State Administrative Rules<sup>xxiv</sup></a></p> <p>Facilities providing PES must also meet standards for Regional Acute Care Psychiatric Facilities for Adults (OAR 309-032-0850 through 8070) and be approved as a hospital hold facility pursuant to OAR 309-033-0500 through 0550</p>	<p>Psychiatric Emergency Services are not distinct facilities – they are services provided in an emergency department of a hospital or satellite hospital for less than 23 hours. They may provide up to 23 hours of triage and assessment, observation and supervision, crisis stabilization, crisis intervention, crisis counseling, case management, medication management, safety planning, lethal means counseling, and mobilization of peer and family support and community resources.</p> <p>Oregon currently has only one PES unit – Unity Center for Behavioral Health in Portland.</p>
<b>Crisis Respite Services</b>	<p>Oregon Health Authority Behavioral Health Division: Behavioral Health Services – Chapter 309 Division 35</p> <p><a href="#">Oregon Secretary of State Administrative Rules<sup>xxv</sup></a></p>	<p>Crisis Respite Services are not distinct facilities. Crisis Respite Services are Medicaid-reimbursable and are provided in RTH's, RTF's, or SRTF's for up to 30 days. According to <a href="#">an OHA memo<sup>xxvi</sup></a>, Crisis Respite Services are short-term crisis and stabilization services that are provided in a residential setting to stabilize the individual in crisis, prevent further deterioration, and provide immediate treatment and intervention in a location best suited to the</p>

Service or Facility Type	State Oversight	Services Provided
		needs of the individuals and the least restrictive environment possible.
<b>Crisis Stabilization Centers</b>	In Development – There is no facility type that is defined by rule.	<p>Crisis Stabilization Centers are opening in Oregon, but they are not currently defined by rules. OHA is presently developing administrative rules for Crisis Stabilization Centers as directed by ORS 430.627(3). The rules are anticipated to go into effect by the end of 2024.</p> <p>Crisis Stabilization Centers utilize a recliner-based living room model and are designed to prevent or ameliorate a behavioral health crisis or reduce acute symptoms of mental illness or SUD's for individuals who do not require inpatient treatment by providing continuous observation and supervision for 23 hours or less. Crisis Stabilization Centers are staffed 24-hours per day, 7 days per week, 365 days per year by a multidisciplinary team capable of meeting the needs of individuals experiencing all levels of crisis and accepting walk-ins and first responder drop-offs.</p>
<b>Peer Respite Centers</b>	<p>Oregon Health Authority Behavioral Health Division: Behavioral Health Services – Chapter 309 Division 20</p> <p><a href="#">Oregon Secretary of State Administrative Rules<sup>xxvii</sup></a></p>	Peer Respite Centers are not licensed or certified and are not online in Oregon yet, but HB 2980 provided funding for four centers. Peer Respite Centers are peer-run, voluntary, short-term, overnight programs that provide community-based, non-clinical support for those experiencing or at-risk of experiencing an acute behavioral health crisis.
<b>Crisis Walk-In Services</b>	Crisis Walk-In Services are not defined by rules in Oregon.	Crisis Walk-In Services are offered in every county and typically have more limited business hours.

Given that the landscape of crisis services is under development with the rules being defined, PCG and OHA held nine interviews with CMHP's that are currently operating crisis services and/or plan to open facilities in the future. PCG and OHA collaborated to create a survey that was discussed and reviewed during these conversations. The survey aimed to understand the services being offered, the delivery model, the number of people served, the challenges and barriers, the staffing models, and the plans for expanding crisis services in their county. Conversations were held with the following groups:

- Benton County CMHP
- Lane County CMHP
- Adapt Integrated Health Care (CMHP for Douglas County & Curry County)
- Polk County CMHP

- Deschutes County CMHP
- Marion County CMHP
- Clackamas County CMHP
- Washington County CMHP
- Multnomah County CMHP

PCG understands that the crisis services identified during these discussions may not represent the entirety of crisis offerings in the State. In addition to identifying the services provided, these discussions yielded important information about the barriers and challenges that are faced by the facilities that offer crisis services. Some key themes of the conversations with CMHPs are noted below:

- **Staffing:** Staffing was noted as a significant challenge for most of the programs that we spoke to. Hiring and retaining qualified staff has become increasingly difficult. Master's level clinician roles were noted as positions that have been the most challenging to fill with some facilities having several open positions that have been posted for long periods of time. These conversations also noted that retaining staff has been difficult due to alternative settings offering compensation that the crisis facilities cannot compete with. One of the CMHP's we spoke with noted that they often have limited hours on the weekend due to the staffing shortages and challenges that they face. Another facility noted that they have difficulty hiring and retaining staff for the night shift and have had to use staffing firms to bring in staff to fill these positions. The nature of crisis work also results in unpredictable schedules, which CMHP's said is a barrier to recruiting and retaining staff. The staffing shortages are leading to supervisors and staff from other teams having to step in to provide services in other positions. This is leading to staff burnout and strains in capacity in other parts of their programs. Additionally, some facilities indicated that they must limit bed availability due to staff shortages.
- **Unavailability of beds at the next level of care:** During our conversations, it was noted that there can be a significant challenge finding a bed available for someone at another level of care when transition is necessary. Some of the individuals we talked to noted that they had faced challenges discharging individuals from the crisis setting because there was a lack of available beds at another facility. Some individuals noted that residential is the most difficult facility to find with an open bed while others noted that withdrawal management is the most challenging to find for individuals who need it. Facilities noted that there are times when a bed is not available in a withdrawal management setting, so they refer the individuals to the emergency department. It was also identified that housing can be a barrier when discharging individuals from the crisis care setting – the facilities try to avoid sending someone back to the unhoused environment and have been working with community resources to prevent this.
- **Funding:** Funding was noted as a barrier for several of the facilities. It was mentioned that there is not adequate funding for some of the counties to provide mobile crisis services and to have mobile crisis teams that can cover the entire county. One facility noted that the cost to employ staff has risen substantially but there has been very limited State funding – they are relying on grant funding and, even with the grant funds, they are still operating with a funding gap. They also noted that unexpected changes in project costs, construction challenges, and other factors outside of their control are disrupting development plans for new programs and leading to pushing completion targets. It was noted that the costs needed to run and operate the facilities are increasing and causing all components to become more expensive. Additionally, a facility noted that the closure of a local Emergency Department unexpectedly shutting down affected the plans for the crisis facility.
- **Rule Requirements:** In addition to the conversation topics noted above, there was also concern about the potential administrative rule requirements for integration of physical health services in Crisis Stabilization Centers. They noted that many facilities do not have the capacity to add physical health services in their current space. This concern comes from ORS, but the rules are still under development. Facilities are currently awaiting the final OARs to know the full requirements and rules.

## PROVIDER SURVEY

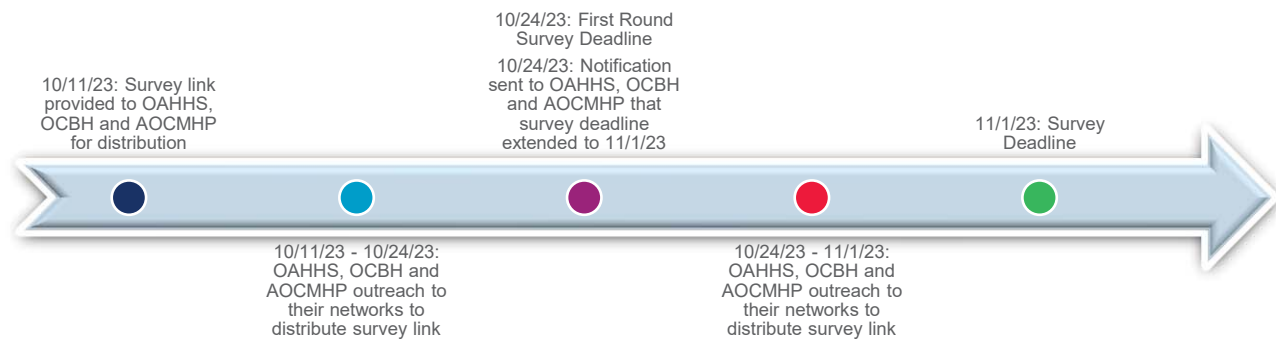
### OVERVIEW

As noted previously in this report, PCG created a provider survey to collect original data for our analysis. The survey was reviewed by the OHA team, the Oregon Council for Behavioral Health, and the Hospital Association of Oregon. The questions in the survey aimed to gather the following information about behavioral health facilities in Oregon:

- Name and location
- Licensure type
- Level of care provided
- Populations served
- Licensed capacity
- Fully operational capacity (operational capacity is defined as the number of beds a facility intends to make available, assuming no staff or resource constraints.)
- Average staffed capacity (staffed capacity is defined as the maximum number of beds a facility is able to operate based on available staff and resources.)
- Staffing data and challenges
- Admission and discharge information
- Additional information on facility challenges or needs

The survey was distributed through the Hospital Association of Oregon, the OCBH, and the AOCMHP. The survey was distributed with the following timeline:

**Figure 19. Survey Distribution Timeline**

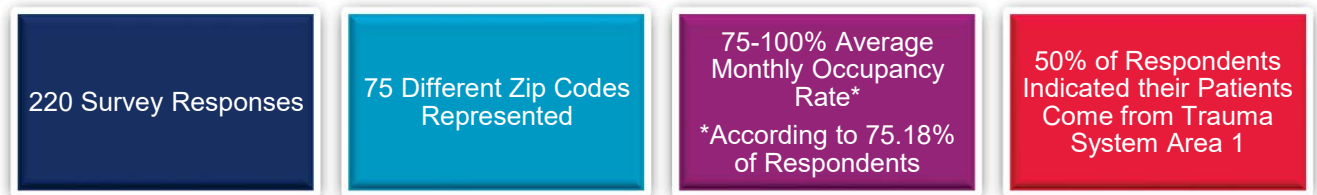




## SURVEY HIGHLIGHTS

Following the close of the survey, PCG reviewed 220 responses and analyzed the results. Some notable survey highlights are included below:

**Figure 20. Survey Highlights**



## Survey Response Details

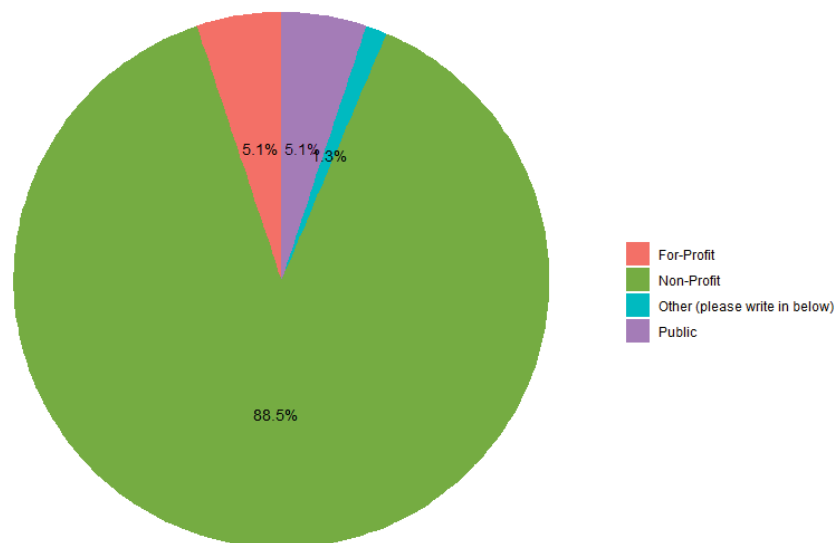
PCG has highlighted some of the survey responses of note for our analysis. The details of those responses are included below:

### Facility Details and Structure

**Survey Question:** Please select the correct Facility Type below.

156 individuals responded to this question and 138 (88%) respondents represented non-profit facilities.

**Figure 21. Survey Response Highlight**

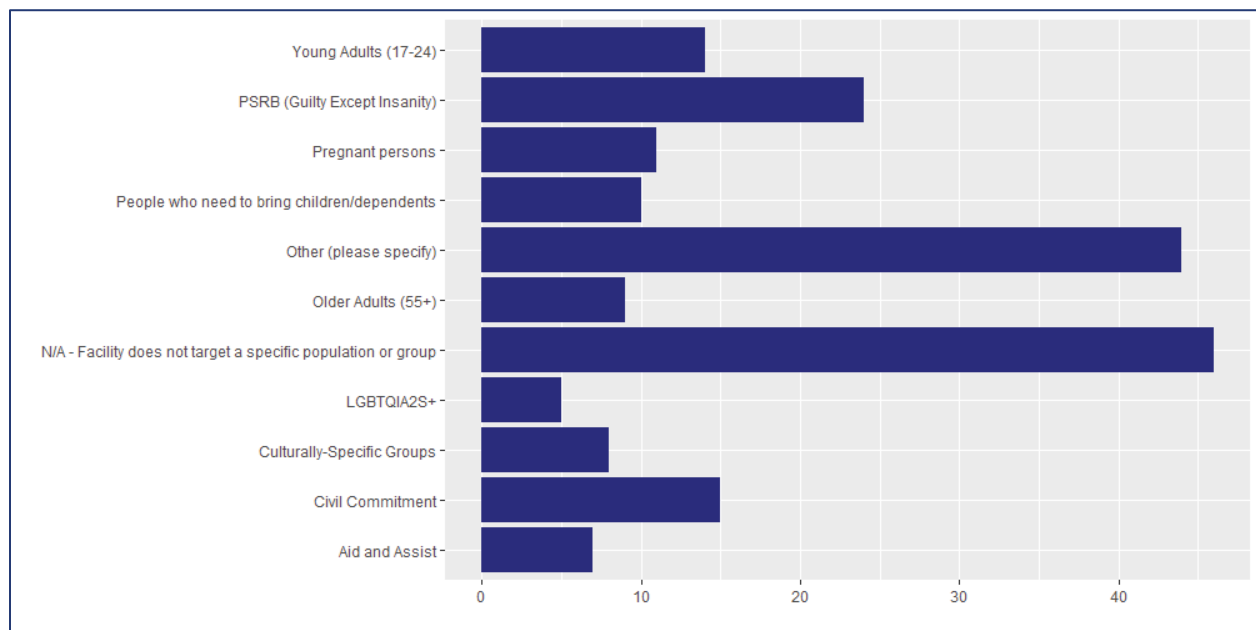


**Survey Question: What are the types of admissions/legal statuses accepted at your Facility? (select all that apply)**

Of the 134 responses for this question, 46 respondents selected that the Facility does not target a specific population or group. Another large portion, 44 respondents, selected “other” and wrote in the following items:

- Young Adults (17-24)
- Older Adults (55+)
- Culturally Specific Groups
- Pregnant Persons
- People who need to bring children/dependents
- Psychiatric Security Review Board (PSRB)
- Aid and Assist
- Civil Commitment

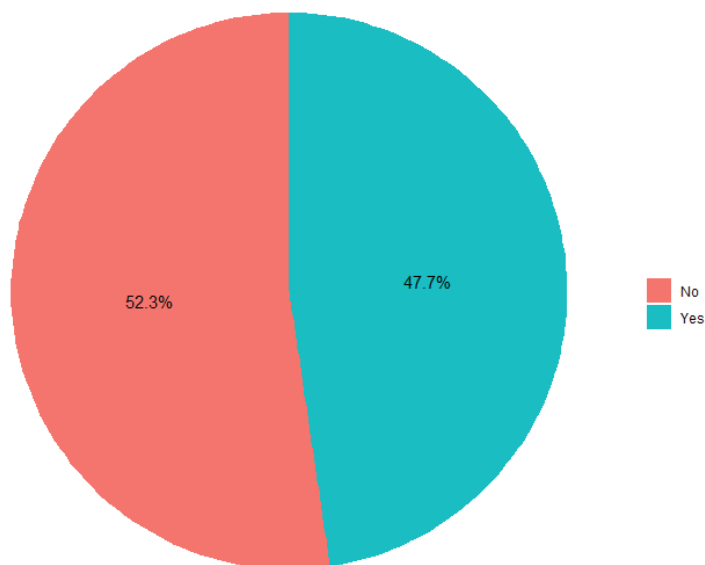
**Figure 22. Survey Response Highlight**



**Survey Question: Does the Facility accept individuals with co-occurring conditions i.e.... the coexistence of both a mental health and substance use disorder?**

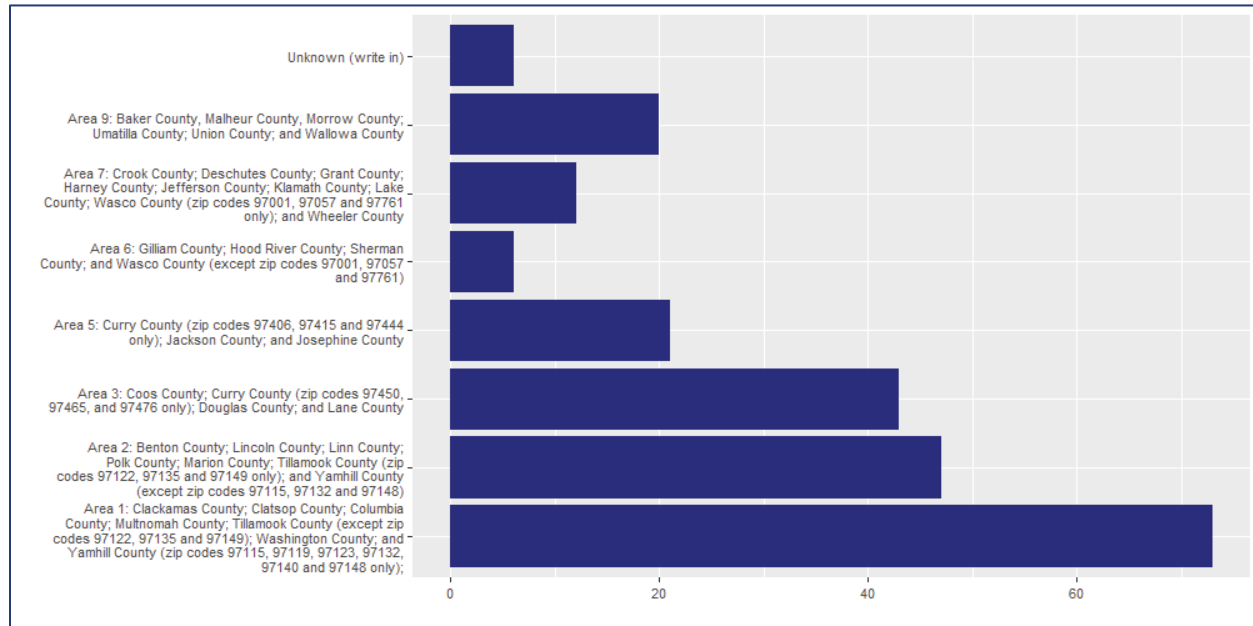
Of the 128 responses for this question, 61 respondents (48%) selected yes and do accept individuals with co-occurring conditions and 67 respondents (52%) selected no and do not accept individuals with co-occurring conditions.

**Figure 23. Survey Response Highlight**



**Survey Question: What trauma system area do most of your patients come from?**

The survey yielded 145 responses for this question with half of the responses (50%, 73 people) indicating that most of the patients come from trauma system area 1. Trauma system area 6 yielded the smallest number of responses with six survey selections.

**Figure 24. Survey Response Highlight**

## Capacity & Occupancy

### **Survey Question: Other than staffing, are there reasons why your facility cannot operate at licensed capacity?**

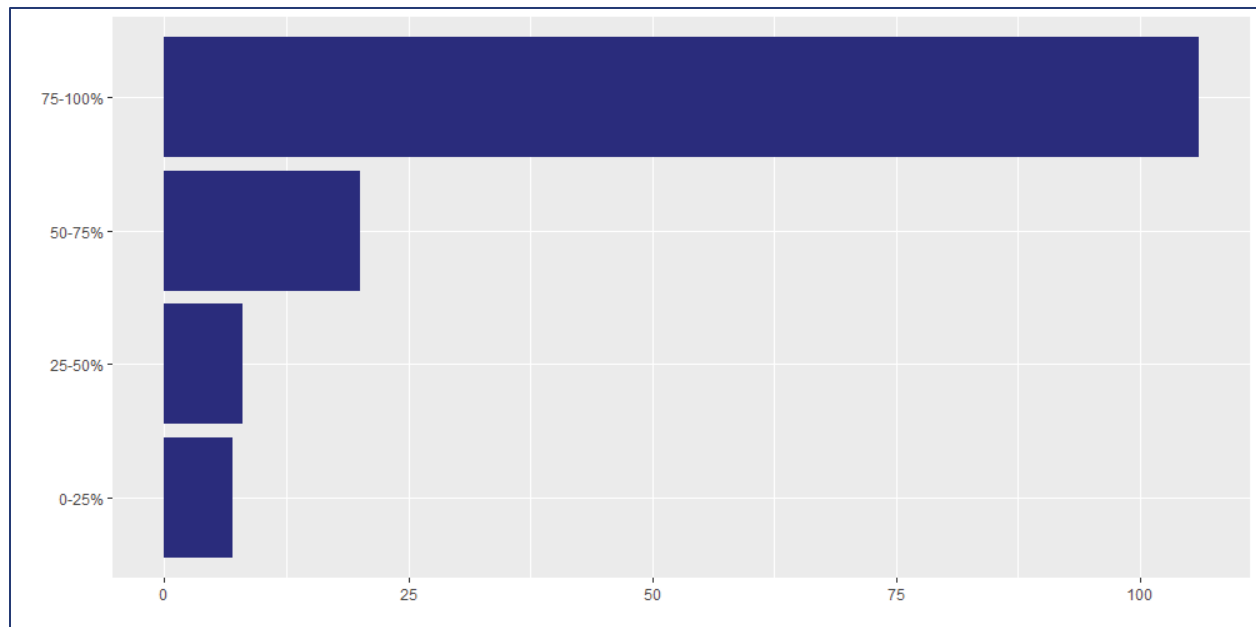
116 individuals responded to this question. 82 individuals noted that they operate at full capacity and this question did not apply to them. 34 people noted that there were additional reasons other than staffing for why the facility cannot operate at licensed capacity. Some of those reasons are noted below:

- Rooms are not available due to needing maintenance
- Building falling down
- Physical space
- Capability due to acuity of patients
- Facility limitations
- Challenges around sharing rooms

### **Survey Question: What is the average estimated monthly occupancy rate of available beds?**

141 individuals responded to this question with 106 of them selecting that the monthly occupancy rate of available beds is between 75% and 100%. Only seven respondents noted that their monthly occupancy rate is below 25%.

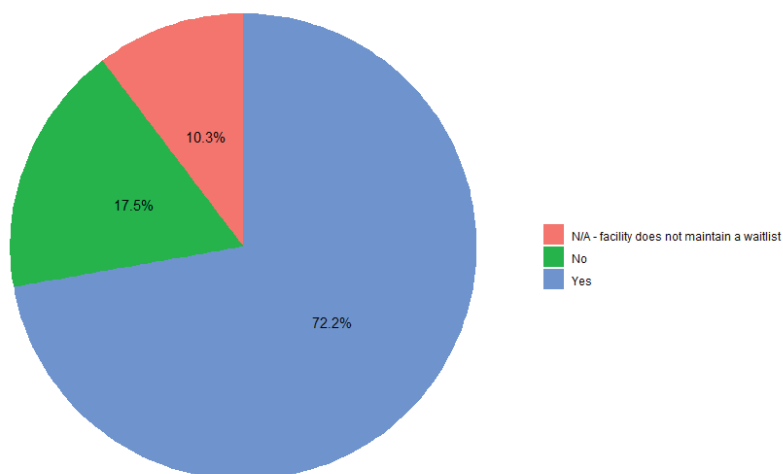
**Figure 25. Survey Response Highlight**



**Survey Question: Does the Facility have people waiting to get into the Facility or a “waitlist” currently?**

Of the 133 responses, 91 individuals noted their facility has people waiting to receive services, 22 people noted their facility does not have a waitlist, and 13 individuals said their facility does not maintain a waitlist.

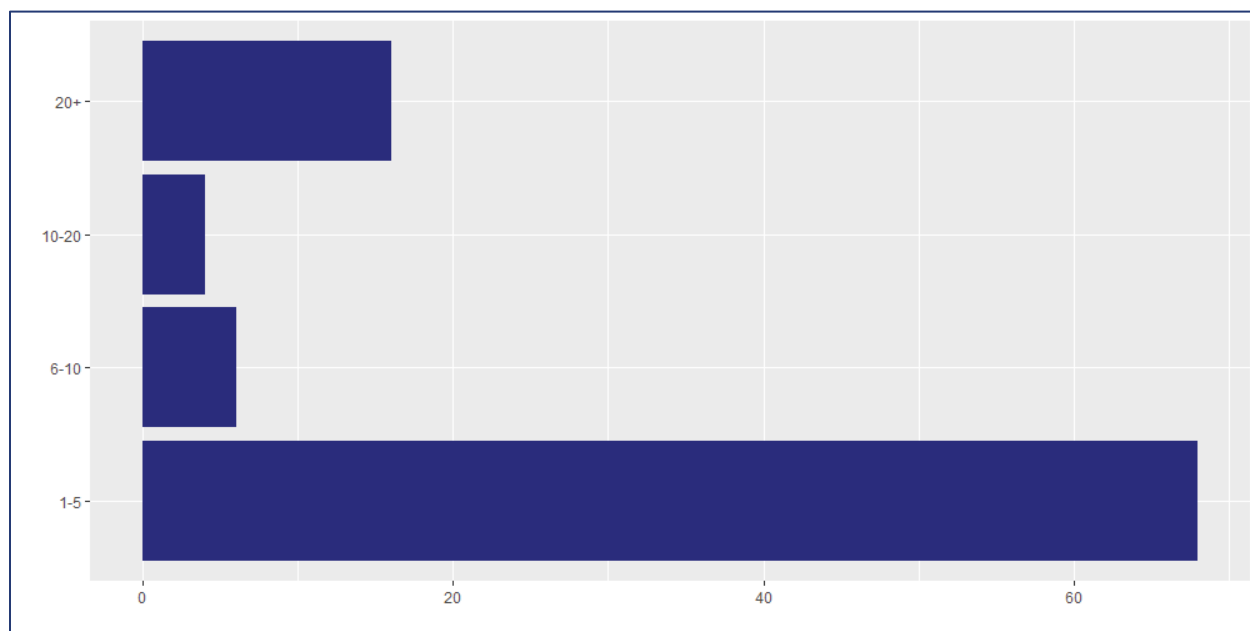
**Figure 26. Survey Response Highlight**



**Survey Question: If yes, how many people are on the “waitlist”?**

94 respondents answered this question and 68 (72%) noted that the waitlist has between one and five people with 16 respondents (17%) noting that there are over 20 people on the waitlist.

**Figure 27. Survey Response Highlight**



## Staffing

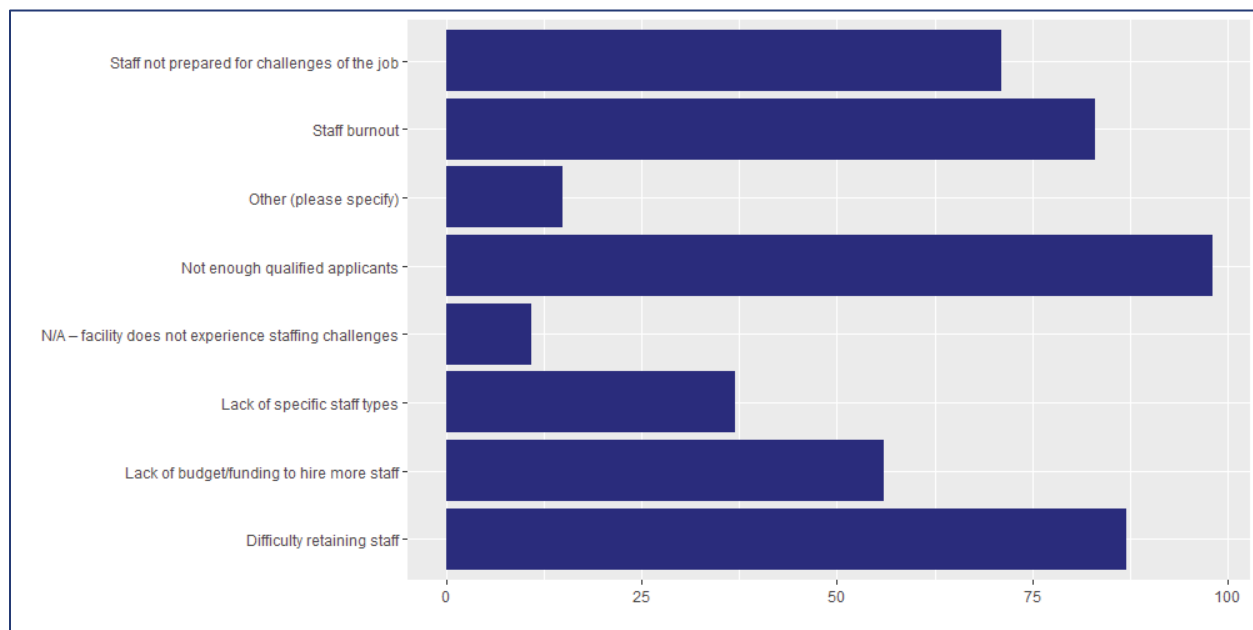
**Survey Question: Thinking over the past year, what has been the Facility's average staffed capacity? Staffed capacity is defined as the maximum number of beds a facility is able to operate based on available staff and resources.**

30 respondents noted for this question that their staffed capacity was lower than their operational capacity. The average difference in staffed capacity and operational capacity for these 30 responses was just over 10 beds.

**Survey Question: Does the Facility experience any staffing challenges? If yes, please select the applicable staffing challenges noted below.**

There were 135 responses for this survey question. The most selected option for the staffing challenges was that there were not enough applicants (98 responses). Additionally, the facilities noted that they have difficulty retaining staff (87 responses) and that staff experience burnout (83 responses).

**Figure 28. Survey Response Highlight**



**Survey Question: Thinking over the past year, how often did the Facility have to limit bed availability due to staff shortages?**

3 respondents selected “Always (all – or nearly all – days/months)”. 13 respondents selected “Often – many days each month and/or many months in the year”. 21 respondents selected “Sometimes (some days each month and/or some months in the year)”. 16 respondents selected “Rarely (occasional days or weeks)”. 37 respondents selected “Never/do not experience staff shortages”.

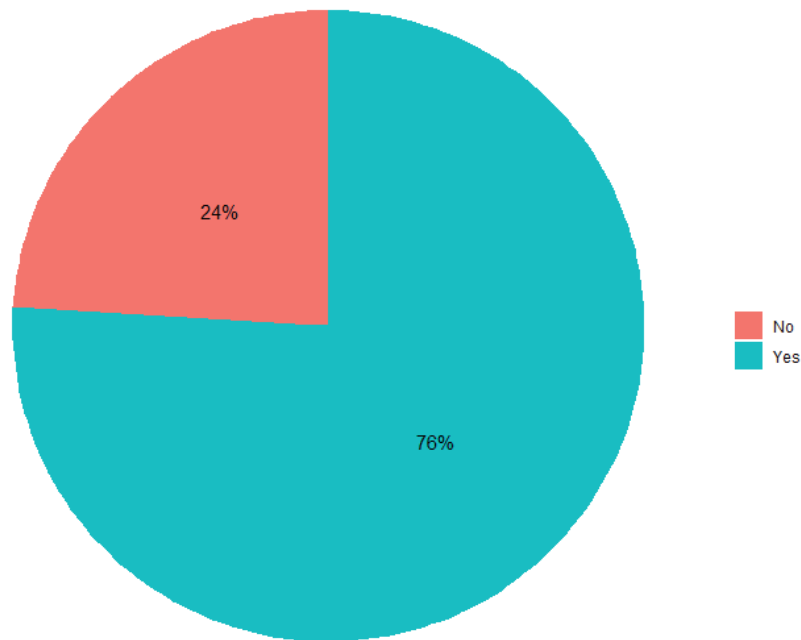


### Additional Challenges

**Survey Question: Does the Facility ever experience barriers and/or challenges discharging patients to other settings or facilities which results in prolonged patient stay?**

133 individuals responded to this question and 101 (76%) noted that their facility experiences barriers and challenges discharging patients to other settings or facilities which results in a prolonged patient stay.

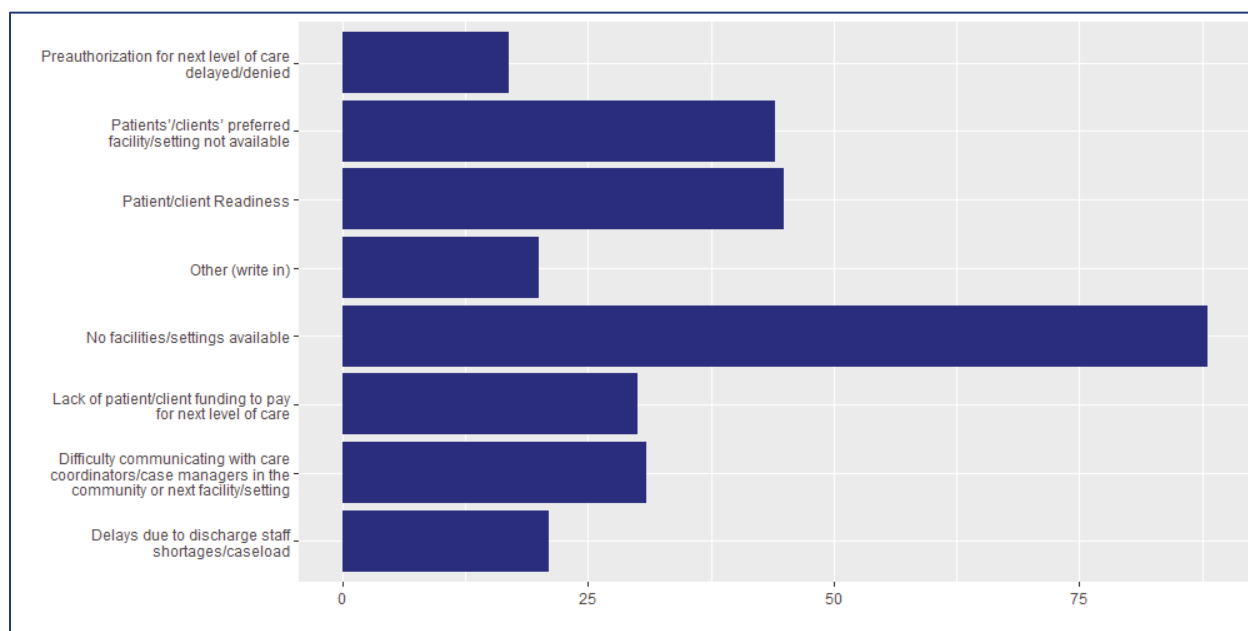
**Figure 29. Survey Response Highlight**



**Survey Question: If yes, please identify the top three barriers and challenges discharging a patient to another facility or setting.**

98 individuals responded to this question and were able to select all options that apply to their facility. The most selected option (88 responses) for the barrier or challenge in discharging a patient in that no facilities or settings are available. Additionally, patient readiness (45 responses) and the patient's preferred setting not being available (44 responses) were also top barriers and challenges to discharge.

**Figure 30. Survey Response Highlight**



**Survey Question: Is there anything else you would like to share about your Facility's challenges and needs?**

Respondents were given the opportunity to share any additional feedback and information about their facility's challenges and needs. Some of those responses are noted below:

- Additional Facility Themes
  - More outpatient treatment is needed
  - Safe and supportive housing continues to be the main barrier to early recovery after a residential transition
  - Residential facilities at every level are needed so the transition from other programs is easier
  - More short term acute psychiatric beds are needed
  - Access to long-term or residential care placements
  - More rehabilitative services for substance use (inpatient) are needed
  - More community resources to support individuals are needed
  - More low-income housing is needed
- Financial and Funding Themes
  - An increase in reimbursement rates is needed
  - More funding for operations and staff is needed
  - No capital investment funding has yet been made available to build or remodel a facility for its intended purpose
- Population Themes

- Another challenge that is becoming an equally difficult barrier is our aging resident population
  - Referrals with complex medical issues that cannot be supported by facilities is a challenge
  - A rural location has benefits and challenges due to the location, for instance, family visits are more infrequent due to the location. Women often have less opportunities to engage in the community prior to graduation since the program is in a rural setting.
  - We often have power outages and evacuations due to weather that can impact treatment
  - Committed patients who are violent are a huge challenge to discharge and there has not been any ability to transfer to the State hospital
  - More programs for fathers with children are needed
- Operational Themes
  - Receiving incomplete referrals is a challenge as it adds significant time to the referral processing workflow and can delay beds being filled
  - A primary barrier is being a PSRB program. The PSRB evaluation and referral process is extensive and time consuming. Additionally, these residents need to have a court hearing prior to moving into the facility, which can be a delay of months while that bed sits open. Additionally, not all referrals are ready for placement, then that bed ends up being held until the resident is ready to move. The lack of control the facility has over filling their beds is cumbersome, costly, and frustrating.
  - Medical transport, dental care accessibility and proper housing are barriers
  - More clear guidelines on guardianship laws are needed
  - Additional trainings are needed for an understanding of ASAM

# COMMUNITY ENGAGEMENT

## INTRODUCTION & METHODOLOGY

To provide context for the quantitative data collected in this report, a critical aspect of this project is engaging with a diverse group of community members. Gathering information and hearing stories from Oregonians that have lived experience with the behavioral health system across the State must be a driving force behind our analysis and recommendations. This section will detail our community engagement goals and emerging themes from the community engagement period, and how these key themes and takeaways will inform recommendations.

The following section outlines each step of the community engagement Process. Each of the following steps critically influenced who was included in community engagement, how the sessions were approached, and what emerged as the key themes and areas of focus for this aspect of the project.

### Review of Previous Community Engagement Initiatives

At the start of the community engagement process, we initiated a thorough review of previous community engagement conducted by the State. With this review, we sought to understand what questions had been asked of community partners previously to ensure our community engagement process was not repetitive or exhausting for participants, as such repetition can result in frustration and burnout for participants. We evaluated previous reports put forth by the State to understand what community outreach and themes had already been conducted and to what groups/populations/individuals.

### Identification of Community Partners

PCG and OHA collaborated closely to identify community partners that reflect a wide spectrum of perspectives and experiences within the behavioral health continuum. Jointly, we developed a comprehensive list of key community partner groups. We worked closely with external associations and advisory groups to identify participants, and OHA played a crucial role in establishing individual contacts within the identified categories, ensuring a holistic representation of diverse viewpoints. Recognizing the regional variations in available services across Oregon, PCG and OHA prioritized the identification of community partners in both rural and urban areas. This approach aimed to capture the full range of perspectives and challenges present in the State's diverse communities, contributing to a more inclusive and comprehensive understanding of behavioral health needs.

In addition to capturing both rural and urban perspectives, PCG and OHA prioritized engaging culturally specific providers and people with lived experience, in alignment with [OHA's 2030 goal to eliminate health inequities](#). Members of culturally and linguistically diverse populations face unique and disproportionate challenges accessing, engaging in, and following through with behavioral health care. By engaging with culturally specific providers, the study aimed to gain an understanding of these unique barriers, particularly within the context of behavioral health facility capacity in Oregon. OHA's Office of Behavioral Health Equity and Community Partnerships assisted in identifying culturally specific providers that would cover a wide range of perspectives, including, but not limited to Native American, African American, Asian American, Latino/a American, immigrants and refugees from countries in Eastern Europe, Africa, and the Middle East, and LGBTQIA2S+ individuals. Capturing the behavioral health experience of these populations is integral to developing facility capacity and infrastructure that benefits all Oregonians.

A priority was also placed on engaging with people with lived experience (PWLE), which included members of the peer workforce. Individuals with lived experience have firsthand knowledge of the challenges, nuances, and complexities associated with engaging with behavioral health services. Their insights can provide a deep understanding that may be difficult to capture through purely quantitative perspectives. When PWLE are involved in developing program recommendations, there is a potential for reduced stigma and more successful engagement and outcomes. As part of continuing engagement with PWLE who contributed their perspectives to the study, PCG shared a copy of the preliminary report, published in

January, with these participants. Participants then had the opportunity to provide feedback on the report and additional insights and recommendations, which have been synthesized and included in the final report.

### **Development of Community Partner Engagement Matrix**

The Community Engagement Matrix was developed in partnership with OHA and populated with ideas of people/groups to reach out to begin solidifying the Community Engagement strategy and list. The Community Engagement Matrix included the following information regarding potential participants:

- Source
- Group
- Name
- Title
- Organization
- Email
- County
- City
- Zip Code
- Trauma System Area
- Community Engagement Method
- Meeting Date & Time
- Status
- Notes

### **Review of Community Partner Engagement Matrix**

The Community Partner Engagement Matrix underwent extensive review from individuals at OHA, external community partners, and members of the PCG team to solidify the list of potential participants. A Community Engagement Snapshot was created to condense information and track specific outreach to individuals, email communication, and follow-up. This document was utilized to provide weekly updates to OHA on the status and progression of the Community Engagement process. Attendance and stipend distribution were also noted in the Community Engagement Snapshot.

### **Stipend Distribution**

A \$160 stipend was distributed to all participants with lived experience who engaged in a key informant interview or a focus group. Eight stipends were distributed to key informant interview participants in the Peers or PWLE groups, four stipends were distributed to participants in the Oregon Black Brown Indigenous Advocacy Coalition (OBBIAC) focus group, and six stipends were distributed to the participants in the Caregivers with Lived Experience focus group. All stipends were sent within a few days following the Community Engagement activity via email using Tremendous in the form of a digital gift card.

### **Focus Groups/Discussions**

PCG developed a focus group guide to inform the structure and substance of the two focus groups that were conducted. The questions were designed to initiate meaningful discussion among a group of diverse participants, and to encourage them to share their stories and insight, as all focus group participants held unique experiences with the behavioral health continuum in Oregon.

Once the focus group guide was created and reviewed by the PCG team, it underwent review from members of the OHA team. While the focus group guide was being reviewed and finalized, the PCG team conducted identification and outreach to potential focus group participants. When identifying participants for the focus groups and listening sessions, PCG partnered with OHA, including OHA's Office of Recovery and Resilience and Director of Tribal Affairs, Julie Johnson. PCG also collaborated with the leaders of the Oregon Black Brown Indigenous Advocacy Coalition (OBBIAC). The Office of Recovery and Resilience at OHA facilitated the distribution of focus group invitations to the Oregon Consumer Advisory Council. Council members were encouraged to share the invitation within their respective networks, and the participants for

the caregivers with lived experience focus group were subsequently identified from this distributed invitation.

Focus group outreach was conducted by email. Additionally, the details of the focus groups were confirmed during this period: the focus groups were held virtually on Microsoft Teams, stipends would be available for participants, and members of OHA or the PCG team would facilitate.

It was important to emphasize an open line of communication between focus group organizers and participants, so participants felt comfortable continuing the conversation and sharing follow-up thoughts, and for the organizers to emphasize the participants' centrality to the project and the ability to keep in touch if more opportunities for community input arose in the future. Contact information was collected from each participant for stipend distribution and further communication, and the contact information of focus group organizers was also made available to participants.

### **Tribal Discussion**

PCG was invited to participate in a discussion with the nine federally recognized tribes of Oregon and OHA about the Behavioral Health Residential+ Facility Study. The discussion was held on December 7, 2023, with both virtual and in-person participants. Ebony Clarke, the Behavioral Health Director for OHA, facilitated the discussion and PCG was present to listen and take notes. The following questions were asked during the discussion session:

1. What are the greatest behavioral health challenges and needs your tribal communities are facing?
2. What existing models of care should the State expand upon to better serve American Indian and Alaska Natives in Oregon?
3. Where do you believe State funding for behavioral health services should be prioritized or invested to address unmet need and improve the overall system?

### **Focus Group #1: OBBIAC**

The first focus group was held on October 13, 2023, via Microsoft Teams. The focus group was planned in collaboration with leaders of the Oregon Black Brown Indigenous Advocacy Coalition (OBBIAC). The focus group was scheduled for 90 minutes. Four members of OBBIAC participated in the focus group. It was co-facilitated by Larry Turner and Jose Luis Garcia of OBBIAC and Samantha DuPont of OHA and supported by members of the PCG team. Stipends were sent to all participants on October 18, 2023. During the focus group, members of the PCG team took detailed notes, tracking the direction of the conversation and aggregating feedback, so all key takeaways were documented.

### **Focus Group #2: Caregivers with Lived Experience**

The second focus group was held on October 24, 2023, via Microsoft Teams. This focus group included Caregivers with Lived Experience, and all six participants were parents of children with interaction with the behavioral or mental health systems within the State. The focus group was scheduled for two hours. This focus group was led by members of the PCG team; Phoebe Kelleher facilitated the conversation, and Kaitlyn Crone and Rhea Lieber supported note taking and monitoring of the meeting platform and the chat. Stipends were sent to all participants on October 24, 2023. With a slightly larger group all sharing the identity of parents, the conversation flowed and there was a meaningful exchange of stories and ideas for improving Oregon's systems and resources.

### **Key Informant Interviews**

PCG also conducted community engagement through key informant interviews to learn more about the behavioral health care continuum from those who have diverse experiences, knowledge, and involvement in behavioral health across the State. Some of the key informant interviews were conducted in-person, but most were conducted virtually via Microsoft Teams. The key informant interviews encompassed the following groups:

- Rural & Urban CCO

- Rural & Urban Hospital
- Tribal
- Public Safety
- Rural & Urban CMHP
- Housing
- Residential/LGBTQIA2S+
- Person with Lived Experience (PWLE)
- Peers
- Inpatient and Outpatient Providers

An interview guide was also developed for the key informant interviews. The interview guide consisted of five general questions, and sections with questions specifically tailored to each group. The key informant interview guide was reviewed and revised extensively by the PCG team and members of OHA.

Outreach was conducted via email for all key informant interview participants. Once a mutually convenient time was chosen for the interview, PCG sent a calendar invitation with a link to join the meeting through Microsoft Teams, or a location to meet in-person, if applicable. The interviews were scheduled for one hour in duration.

Due to the sensitive nature of the interviews, particularly when participants shared their personal experiences with behavioral health services, community engagement encounters were not recorded to ensure a safe space for open discussion. Identifiable information about participants was carefully omitted. Participants were briefed on this confidentiality measure at the outset of the interview, and a PCG staff member attended to take notes and identify key themes. The semi-structured interviews, guided by prepared questions, also provided flexibility for participants to explore important topics beyond the interview guide.

Twenty-three key information interviews were conducted during the community engagement period. Fourteen were conducted virtually via Microsoft Teams, and three were conducted in-person. The key informant interviews were led by members of the PCG team: Phoebe Kelleher facilitated the conversations, and Kaitlyn Crone and Rhea Lieber supported note taking.

**Table 29. Community Engagement Meetings**

#	Type	Meeting Date & Time (PT)
1	Residential/LGBTQIA2S+	9/13/2023, 12-1pm
2	PWLE #1	9/19/2023, 11-12pm
3	PWLE/Peer #1	9/25/2023, 1-2pm
4	PWLE #2	10/2/2023, 1-2pm
5	PWLE/Peer #2*	10/5/2023, 9-10am
6	Housing*	10/5/2023, 11-12pm
7	Rural Hospital/Public Safety	10/5/2023, 1-2pm
8	Public Safety	10/5/2023, 3-4pm
9	Urban CCO	10/11/2023, 3-4pm
10	Housing	10/12/2023, 11-12pm
11	PWLE/Peer #3	10/18/2023, 12-1pm



#	Type	Meeting Date & Time (PT)
12	Rural CCO	10/19/2023, 10-11am
13	PWLE #3	10/23/2023, 12-1pm
14	Urban Hospital	10/23/2023, 12-1pm
15	PWLE/Peer #4	10/26/2023, 1-2pm
16	PWLE/Peer #5	10/30/2023, 10-11am
17	Urban CCO	11/16/2023, 2-3pm
18	Tribal Interview #1	2/29/2024, 2-3pm
19	Tribal Interview #2	4/4/2024, 10-11am
20	Tribal Interview #3	4/5/2024, 10-11am
21	Outpatient Services	4/11/2024, 12-1pm
22	Court System	4/12/2024, 1-2pm
23	Residential Services	4/23/2024, 12-1pm

\*Conducted in-person

Like the focus groups, it was also important to emphasize an open line of communication after the key informant interview concluded. Participants were encouraged to save the email addresses for Ms. Kelleher and Ms. Lieber, who oversaw interview outreach and the sessions themselves. Multiple key informant interview participants followed up with PCG staff with additional feedback and insights, so offering space to share more ideas or follow-up questions was important. Furthermore, stipends were distributed to Peer and PWLE interview participants.

### Facility Visits

The PCG team traveled to Oregon from October 3<sup>rd</sup> to October 5<sup>th</sup>, 2023, and had the opportunity to visit facilities that spanned the care continuum. These facilities were identified either through referrals from OHA or by extending invitations to the PCG team to visit. During these site visits, PCG met with key personnel at the facilities to learn more about their work, goals, and challenges in delivering care. PCG visited the following facilities:

- Project Network – Lifeworks NW, Portland
- Native American Rehabilitation Association of the Northwest, Inc. – Residential Treatment Center, Portland
- Willamette Family Inc. – Buckley Center, Eugene
- Willamette Family Inc. – Women's Residential Program, Eugene

In addition to having the opportunity to tour the facilities' grounds, PCG spent ample time learning about the inner workings and day-to-day operations from the staff. The PCG team asked questions, heard personal stories and experiences, and learned about the challenges of operating post-pandemic that included staffing shortages and a greater need for services with a higher acuity population.

### FEEDBACK ANALYSIS

The data compilation process involved inputting notes from each interview into an Excel spreadsheet, with individual columns allocated to each question. Each entry included columns for coding, participant ID number, and responses. Responses were entered with their corresponding participant ID number.

During the feedback analysis, multiple PCG staff members reviewed the data to identify common categories or themes across entries for each question. Once consensus was reached, numerical or alphabetical labels were assigned to the categories and the team applied these labels to each entry. The team utilized the Excel 'Sort' function to group entries by the assigned categories, and in instances where inconsistencies arose, re-categorized entries or introduced new categories. This process was repeated for each interview, resulting in an organized arrangement of categories based on the frequency of entries. From this process, we were able to identify key themes and recommendations.

## KEY INFORMANT INTERVIEW KEY THEMES

Common themes quickly emerged among the interview data collected, and similar themes arose across all respondent types. Although our study primarily focuses on identifying the capacity of residential behavioral health facilities, participants frequently addressed additional needs in behavioral health resources and how various points of care impact residential facilities. As a result, key themes not only centered on residential facilities but also extended across the entire behavioral health continuum. While many of these key themes fall outside the immediate scope of this study, their inclusion was integral to capture to inform further analysis of behavioral health needs across the continuum and to provide essential context to the behavioral health access experience. The first part of this subsection provides a narrative review of those common themes organized by interview topic. This is followed by a table outlining specific insights noted by each community partner category.

### *Perspectives of People with Lived Experience (PWLE)*

As PWLE constituted nearly half of our key informant interviews, their insights and recommendations are integrated into the emerging key themes. Notably, PWLE respondents also offered unique perspectives and recommendations, highlighting key areas for improvement:

- **Trauma-Informed Care:** PWLE emphasized the need for staff training in trauma-informed communication and evidence-based practices to enhance the quality of services.
- **Community Supports and Supportive Housing:** Community partners stressed the importance of robust community-based supports to address gaps in follow-up care upon discharge. Recommendations included expanding supportive housing, outpatient treatment centers, day programs, group therapy, and street outreach services.
- **Prevention:** PWLE advocated for increased funding in prevention services, emphasizing basic needs like housing and food security, addiction psychoeducation, and street outreach.
- **Criminal Justice Experience:** Individuals with lived experience in the criminal justice system highlighted unique challenges accessing behavioral health services and community supports. Criminal records often hindered access to programs, leaving individuals without essential resources.

### *Staffing*

Community partners report that the current operational challenges within various facilities stem from staffing shortages and difficulties in retaining qualified personnel. These issues have hindered the ability of these facilities to operate at full capacity and have led to negative experiences for individuals accessing behavioral health facility services. Many express reluctance to expand capacity without a proportional increase in the workforce. This sentiment is echoed across Oregon and the wider United States. Addressing these pressing workforce challenges is imperative for any meaningful expansion of residential capacity. Community partners identified multiple factors that contribute to persistent staffing challenges. Some of these factors included:

- **Burnout and Safety:** Provider burnout has been a large contributor to staff turnover in recent years, especially following the COVID-19 Public Health Emergency (PHE). According to respondents, one of the main causes of this burnout is lack of safety and support in the work environment. The acuity of individuals accessing behavioral health and substance use services has

sharply increased in recent years. Current facility capacity does not align with this level of acuity, causing individuals to be placed in facilities that are unable to meet their level of need. Some participants also indicated that newly graduated providers entering the workforce are not properly trained in the increased acuity or complex needs of the populations served. Staff who operate in these facilities feel unprepared to serve the population and are overwhelmed by the workload.

- **Administrative Burden:** Participants report that administrative reporting and lack of proper training creates increased and unmanageable workloads.
- **Pay and Compensation:** Low pay and lack of benefits were referenced multiple times as drivers for increased staff turnover. Behavioral health facilities also compete with a rapidly growing number of telehealth and private practice services, which offer higher pay and more job flexibility. While rate increases and stay bonuses have provided some increase in pay in recent years, it has not been enough to meet the competitive salaries offered outside of facility-based settings.
- **Peer Expansion and Peer Experience:** Participants expressed that Peers and peer services are integral to the success of behavioral health services and should be expanded in many settings, including in behavioral health residential facilities. However, Peers face unique challenges in their scope of work. Peer respondents often express feelings of being "othered" within their respective settings, facing perceptions that can marginalize their unique contributions. Many peer workers report being assigned tasks beyond their defined scope of work, potentially undermining the effectiveness of their roles. To address this, there is a growing consensus among peer workers and advocates for clearer delineation of responsibilities and the promotion of supportive work environments. Additionally, these professionals advocate for structured opportunities for career growth within the Peer workforce, emphasizing the importance of recognizing and fostering the valuable expertise they bring to behavioral health settings.

### ***Facility Access, Availability, and Experience***

- **Wait Times:** Wait times were reported as an issue when accessing all levels of care across the behavioral health continuum, but particularly when accessing residential services. Multiple community partners described a "bottle neck," situation, where street outreach engagement can connect with individuals who are seeking treatment services, but there is a significant wait to access withdrawal management or detox care. Then, once individuals can access withdrawal management services, after discharge they are unable to access timely residential care. Extended wait times were also a notable issue when individuals sought access to residential care from hospital emergency departments. This often led to individuals spending multiple days or weeks in the emergency department while waiting for available placements.
- **Exclusionary Criteria:** Community partners have raised significant concerns regarding the exclusions imposed by residential facilities on who can access their services, particularly noting the heightened barriers faced by some of the most vulnerable populations. Exclusions based on legal history, medical conditions, insurance, and co-occurring disorders were consistently cited as problematic, exacerbating disparities in access to care. As Oregon contemplates expanding residential facility capacity, it is imperative to consider who will benefit from these expansions. Community partners stress that even with increased capacity, many vulnerable populations may remain underserved due to these exclusions. To address this issue, suggestions were made for the establishment of "no refusal" facilities, ensuring that critical mental health care services are accessible to all who need them, regardless of their circumstances or background.
- **SUD Level of Care Mismatch and Rising Acuity:** Community partners advised that there is a general lack of preparedness for the levels of care needed to meet the high acuity needs of patients in Oregon today. This mismatch between available levels of care for SUD and the actual required level of care carries significant consequences throughout the healthcare continuum. It is imperative to build out the correct levels of care for SUD that are in line with the acuity of the patient population with a specific focus on the effects of new drug use trends, a growth in co-occurring diagnoses and conditions, and the traumas associated with homelessness. A mismatch in levels of care also has trickle down effects that can lead to no one receiving adequate care at any level of the medical or

mental health system. One such effect is workforce burnout. Staff are being asked to treat at the wrong level of care just so patients can receive some form of treatment, however inadequate or inappropriate the treatment given the patient's unique needs. Staff are being asked to address increasingly complex and intense situations that are outside their training or available resources, which can lead to burnout, or even unsafe situations.

- **State Hospital Accessibility Issues:** Oregon's public psychiatric hospitals have dedicated most of their capacity to individuals in the legal system, causing these facilities to greatly reduce admissions for civilly committed individuals. Community partners shared concerns that with this reduced capacity, there is nowhere to place individuals experiencing a mental health crisis. Often, these individuals must stay in facilities' emergency departments, putting a strain on available resources.
- **Residential Experience:** Many of the people with lived experiences that the PCG team met during the community engagement period reflected on negative experiences in a residential treatment setting. Participants discussed how providers and staff are not trained to adequately serve patients with sensitivity, compassion, respect, and empathy, especially high acuity patients and those with serious mental illness (SMI), due to a lack of understanding or education, or fatigue and burnout. This led to patients feeling unsafe and feeling as though they had nowhere to turn to access services after being discharged from a facility in which they experienced distress, trauma, or stigma. Compounded upon an existing shortage of residential treatment options, patients feeling further isolated from potential spaces to access care is a critical issue with both personal and systemic effects.

### ***Funding and Facility Expansion Priorities***

During the community engagement process, we sought the perspectives of each respondent regarding their funding priorities for behavioral health and the expansion of residential facilities. The identified themes below underscore the key areas emphasized by community partners, shedding light on where those community partners believe funding should be prioritized. Although many of these priorities extend beyond the immediate scope of this study, they offer crucial insights for understanding the behavioral health continuum. These themes not only contribute to a comprehensive understanding but also point towards areas for further exploration and in-depth analysis.

A holistic approach to the behavioral health continuum in Oregon is crucial. While expanding residential facility capacity is vital, it's just one facet of a broader spectrum that demands attention. Community partners emphasize the significance of strengthening community-based supports and health-related social needs, particularly in housing. By bolstering these aspects, we can potentially reduce the demand for residential capacity. This approach can pave the way for robust community-based paths to care, reduce acuity among individuals seeking services, and shorten their length of stay. When contemplating expansion of residential capacity, it is imperative to recognize that strengthening other components of the behavioral health continuum can mitigate the need for increased capacity.

- **SUD Continuum of Care:** To meet the rising acuity and complex needs of individuals accessing SUD services, community partners emphasized that the SUD continuum needs to be strengthened at all points of care, not just within residential facility and withdrawal management capacity. Additionally, the participants pointed to the absence of residential facilities that can provide an intermediate level of care, such as partial hospitalization (PHP) and intensive outpatient programs (IOP). Such facilities play a critical role in the care continuum, supporting safe discharge from inpatient and acute care settings as well as preventing decompensation that leads to inpatient utilization. Priority facilities to be invested in and expanded according to participants include withdrawal management, sobering centers, day centers, strong step-down programs, Medication-Assisted Treatment (MAT), harm reduction and street outreach services, and community housing facilities.

- **Culturally Specific Services:** There is a need to expand culturally specific services and providers across the behavioral health continuum in Oregon. Challenges related to culture, language, and identities frequently amplify the symptoms of both mental and physical illnesses. Recent and historical encounters with oppression, discrimination, and severe trauma pose significant hurdles to involvement in behavioral healthcare systems. Participants with lived experience report feeling safer when providers share their identities. Community partners identified that culturally specific services should be expanded to meet the needs of populations, including but not limited to: Black, Asian, Hispanic, Native American, immigrants and refugees, and members of the LGBTQIA2S+ community, particularly transgender and gender nonconforming individuals.
- **Meeting Complex Needs:** In addition to culturally specific services, community partners identified populations that experience disproportionate unmet needs within the behavioral health system in Oregon, and services to target these populations should be expanded. This includes youth and families, individuals requiring gambling use treatment, individuals accessing services during pregnancy, individuals with physical disabilities, veterans, co-occurring disorders, and individuals experiencing homelessness.
- **Peer Workforce Expansion:** In addition to the above workforce considerations, community partners emphasized the crucial need to expand Peer services in residential behavioral health and substance use disorder treatment settings. According to their feedback, having individuals with lived experiences in recovery as Peers creates trust, understanding, and hope in individual's experiences. Integrating Peer services was seen not only as an enhancement to overall care quality but also as a key component of a more inclusive and holistic treatment approach. Further considerations for the Peer workforce are also mentioned above in the Staffing themes.
- **Models for Rural Communities:** The diverse geographic landscape and unique social needs of rural areas require a tailored approach to treatment design and residential facility options. Oregon's rural communities often face distinct challenges, such as limited access to mental health resources, long travel distances, and a scarcity of specialized and culturally specific facilities. Recognizing and addressing these specific hurdles is essential to creating effective and accessible behavioral health care.

Table 30. Community Engagement Feedback

Community Partner Category	Facility Capacity Expansion Priorities	Barriers to Accessing Care	Recommendations	Additional Information
<b>PWLE</b>	<ul style="list-style-type: none"> <li>• Increase psychiatric walk-in services</li> <li>• Increase availability of services for the uninsured, Medicaid, and Medicare populations</li> <li>• Expand capacity of inpatient units</li> <li>• Increase availability of sobering centers</li> <li>• Facilities without exclusions for forensic individuals</li> <li>• Facilities for co-occurring disorders</li> <li>• Facilities that specialize in gambling use services</li> </ul>	<ul style="list-style-type: none"> <li>• Wait times for accessing services</li> <li>• Lack of helpful services</li> <li>• Transportation</li> <li>• Inaccessible treatment options based on location, particularly in rural areas</li> <li>• Negative clinician interactions, lack of sensitivity at the point of care</li> <li>• Lack of resources for individuals in crisis</li> <li>• Cost of treatment</li> <li>• Low capacity and staff shortages</li> <li>• Lack of treatment options, especially for Medicaid/Medicare pop.</li> <li>• Lack of care coordination</li> <li>• Stigma surrounding MAT/MOUD</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion of inpatient gambling addiction services</li> <li>• Integrating more PWLE and peers into treatment</li> <li>• Increase in telehealth availability for rural areas</li> <li>• Establish workshops, practice groups, support groups, and peer support to address homelessness and violence</li> <li>• Engage OHA leadership to initiate change regarding the criminal justice system</li> <li>• Provide more affordable treatment options</li> <li>• Increase street outreach</li> <li>• Improve provider trauma-informed training for supportive and compassionate care</li> <li>• Implement education to reduce stigma around MAT/MOUD</li> <li>• Increase housing/rental assistance</li> <li>• Provide funding for a peer workforce in residential facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Discharges are frequently unsafe and/or to homelessness</li> <li>• Naloxone and Good Samaritan Law education is necessary</li> <li>• Drug-related crime convictions often exclude individuals from accessing housing or employment</li> </ul>
<b>Rural Coordinated Care Organizations</b>	<ul style="list-style-type: none"> <li>• Provide funding for tribal facilities and residential treatment centers in rural areas</li> <li>• Increase in the number of facilities that can provide care for patients with children</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of funding for facilities in rural areas</li> <li>• Lack of tribal engagement</li> <li>• Individuals “slipping through the cracks” after discharging due to a lack of peer expansion</li> </ul>	<ul style="list-style-type: none"> <li>• Increase funding for rural areas</li> <li>• Inclusion of tribal engagement</li> <li>• Address workforce retention for rural areas</li> </ul>	



Community Partner Category	Facility Capacity Expansion Priorities	Barriers to Accessing Care	Recommendations	Additional Information
<b>Housing</b>	<ul style="list-style-type: none"> <li>SUD residential facilities</li> <li>Increase community-based PHP and IOP Services</li> <li>Increase funding for community organizations delivering services aside from SMI</li> </ul>	<ul style="list-style-type: none"> <li>Lack of coordination among leadership county, city, and State leadership</li> <li>Racism and bias</li> <li>Ineffective distribution of funding</li> <li>Workforce turnover, often due to safety concerns</li> </ul>	<ul style="list-style-type: none"> <li>Improve coordination between county and city departments delivering behavioral health services</li> <li>Increase training opportunities so that people from community organizations might move into leadership roles</li> </ul>	<ul style="list-style-type: none"> <li>There is a call for an increase in licensing opportunities for providers to do behavioral health supportive housing</li> </ul>
<b>Urban Hospital</b>	<ul style="list-style-type: none"> <li>Residential treatment services for co-occurring disorders</li> <li>SUD residential facilities, particularly with long-term stay availability</li> <li>Community-based hospital alternatives when it is an inappropriate setting to meet the needs of the individual.</li> <li>Increase crisis services</li> <li>Increase housing with intensive treatment and vocational training</li> </ul>	<ul style="list-style-type: none"> <li>Workforce recruitment and retention</li> <li>Staff often feel unsafe and unprepared for the level of patient acuity</li> <li>Stigma surrounding SMI population</li> <li>Homelessness exacerbates SUD/MH crisis and acuity</li> </ul>	<ul style="list-style-type: none"> <li>OHA should establish workgroups to address workforce, reimbursement, and access issues</li> <li>Strengthen jail diversion programs</li> <li>Increase education around Mink Ruling and serving the aid &amp; assist population</li> <li>Reorganize staffing and reimbursement for residential programs</li> <li>Increase peer street outreach</li> </ul>	
<b>Provider</b>	<ul style="list-style-type: none"> <li>Increase acute inpatient capacity</li> <li>Increase funding for all levels of residential care (acute inpatient, co-occurring high security residential, SUD residential, brick and mortar outpatient)</li> <li>Need for SUD treatment tailored to the needs of 60+ age group</li> <li>Some providers estimate there is a need for up to 30,000 affordable housing units in the tri counties, 15,000 need to be supportive housing</li> <li>Implement and expand culturally specific services, including for BIPOC, LGBTQIA+, and T/GNC individuals</li> </ul>	<ul style="list-style-type: none"> <li>Higher acuity needs than the services available due to workforce burnout</li> <li>High price of indemnity insurance</li> <li>Policy barriers: need behavioral health to be an integrated benefit and collected investment</li> <li>Barrier with civil commitment process change, short term inpatient psych units can't handle long term patients, so beds quickly become full</li> </ul>	<ul style="list-style-type: none"> <li>Reduce reliance on high level credentials for providers</li> <li>Establish a workgroup to address administrative burden</li> <li>Implement education incentives for MSWs and certifications</li> <li>Improve the funding model for adult BH system</li> <li>Elevating people with lived experience and BIPOC</li> <li>Build out workforce to reduce burnout</li> <li>Need to invest in providers so new beds can be staffed</li> </ul>	<ul style="list-style-type: none"> <li>Wage impact and burnout have resulted from providers feeling like they're "helping people to nowhere"</li> <li>Discharges occur without giving people a place to go</li> <li>Withdrawal management currently meets a fraction of the need</li> <li>Pipeline issue with workforce: biggest staffing gaps are with medical providers and licensed clinicians</li> </ul>



Community Partner Category	Facility Capacity Expansion Priorities	Barriers to Accessing Care	Recommendations	Additional Information
<b>Rural Hospital</b>	<ul style="list-style-type: none"> <li>20 acute psychiatric beds need to be built</li> <li>Expanding capacity like in more urban counties is needed</li> </ul>	<ul style="list-style-type: none"> <li>Acuity barriers keep people out of treatment facilities</li> <li>Inadequacy of supportive housing and treatment</li> <li>All 36 counties have different resources and systems</li> <li>Individuals have an easier time accessing services through the criminal justice system then they do on their own</li> <li>People with dual diagnoses (SUD with MH) have challenges in accessing services</li> </ul>	<ul style="list-style-type: none"> <li>Increase coordination between facilities to avoid lag between withdrawal management to facility treatment</li> <li>Behavioral healthcare could be triaged like the physical health system</li> </ul>	<ul style="list-style-type: none"> <li>People are routinely being discharged to homelessness</li> <li>Outdated medical model doesn't allow people to work at the top level of their licensure and level of care</li> <li>Administrative burden across the board</li> </ul>
<b>Public Safety/LE</b>	<ul style="list-style-type: none"> <li>Community-based services</li> <li>Low to no threshold supportive housing</li> <li>Long-stay residential treatment programs</li> </ul>	<ul style="list-style-type: none"> <li>Lack of early interception before an issue worsens</li> </ul>	<ul style="list-style-type: none"> <li>Regionalization of models that can meet direct and unique needs of each region</li> <li>Incorporation of a better balance between voluntary and involuntary commitment</li> <li>Community partnerships and diversion should be implemented more around the State</li> </ul>	<ul style="list-style-type: none"> <li>Duplication in the system is causing closures and problems with distribution</li> <li>There needs to be communication to OHA that this is not a "turf war" and biases must be overcome to make progress</li> </ul>
<b>Tribal</b>	<ul style="list-style-type: none"> <li>8 bed psychiatric lock down facility in the local community would be beneficial</li> <li>Need for a mental health facility</li> <li>Only one tribe in OR has an inpatient facility, there is a need for more</li> </ul>	<ul style="list-style-type: none"> <li>Workforce challenges</li> <li>Telehealth has led to a recruitment nightmare, elders do not want to do telehealth</li> <li>Historical and generational trauma</li> </ul>	<ul style="list-style-type: none"> <li>Mental health education is needed to break the stigma</li> <li>There needs to be more suicide prevention</li> <li>More education to parents and caregivers is needed</li> </ul>	<ul style="list-style-type: none"> <li>Opioid use disorder is the biggest need</li> <li>There is nowhere for people to land when they return from treatment, the need for handoff and support</li> </ul>

Community Partner Category	Facility Capacity Expansion Priorities		Barriers to Accessing Care		Recommendations		Additional Information	
	<ul style="list-style-type: none"> <li>More support services and housing</li> </ul>	<ul style="list-style-type: none"> <li>Any mental health therapist is hard to find</li> <li>Cultural barrier: shame</li> </ul>	<ul style="list-style-type: none"> <li>Funding for training for culturally relevant care when facilities are established</li> </ul>	<ul style="list-style-type: none"> <li>Reservation lands are federal, not State</li> <li>Administrative burden of paperwork</li> </ul>				
<b>Judicial/Courts</b>	<ul style="list-style-type: none"> <li>More capacity for those who are justice-involved, particularly for after their court case has ended</li> <li>Need for no refusal beds</li> <li>SRTF level beds needed</li> </ul>	<ul style="list-style-type: none"> <li>Stigma around people with MH, SUD, and criminal background</li> <li>Charge based exclusions</li> </ul>	<ul style="list-style-type: none"> <li>More beds need to be built, but they also need to let marginalized justice involved people into those beds.</li> </ul>	<ul style="list-style-type: none"> <li>High risk people are ending up on the street, people reach the end of their stay in the State hospital, and they become a public safety concern</li> </ul>				
<b>Urban Coordinated Care Organization</b>	<ul style="list-style-type: none"> <li>Increase capacity for withdrawal management</li> <li>Need more beds in long-term psychiatric</li> <li>More sobering, respite, withdrawal management, long-term, and short-term psychiatric beds are needed (places where people can be safe)</li> </ul>	<ul style="list-style-type: none"> <li>Workforce capacity has been exceeded</li> <li>Capacity reached on outpatient programming due to staffing shortages</li> <li>Poor care coordination system between levels of care and programs</li> <li>Inability for those who have been released from incarceration to access long-term psychiatric care</li> </ul>	<ul style="list-style-type: none"> <li>More culturally specific services are needed</li> </ul>	<ul style="list-style-type: none"> <li>State leaders don't understand the severity of the civil commitment issue and its impact on capacity</li> <li>Many regulations have become burdensome for providers</li> </ul>				

## FOCUS GROUP KEY THEMES

### Oregon Black Brown Indigenous Advocacy Coalition (OBBIAC)

There were four participants in the OBBIAC focus group, which was held on October 13, 2023. The key themes that emerged from participants in this focus group are as follows:

- **“One Size Fits All” Approach:** Most facility treatment and care delivery models are not created for Black, Brown or Indigenous people. They have a “one size fits all” approach, but differences in cultures and backgrounds need to be recognized. Programs need to diversify their approach, services, and staff to better care for these groups.
- **Diverse Providers:** There is a severe lack of Black, Brown, and Indigenous providers in treatment programs and across the care continuum. Black, Brown, and Indigenous people are affected differently by treatment and can be triggered by verbal language, body language, specific settings, and provider actions, so it is important to have providers that understand the unique needs and experiences of these communities. For white providers, it is imperative to offer training programs that focus on culturally specific care delivery, interaction, and engagement. Providers must also “unlearn” practices that are rooted in white supremacy.
- **Leadership:** There is a need for more Black, Brown, and Indigenous folks in leadership roles. Currently, leaders from these communities are unrecognized, dismissed, or undermined. Voices from these communities need to be heard through more representation from these groups at the table. And for white leadership, there needs to be training to ensure culturally specific and aware care delivery starting from leadership down through the entirety of the medical and mental health systems.
- **Racism and Stigma:** Due to a lack of cultural awareness or appropriateness of treatment options Black, Brown, and Indigenous patients face racism and stigma when attempting to access treatment. There is racism in admission to and treatment at facilities – patients from these communities have experienced harassment and mistreatment from providers when trying to access care. This leads to negative health outcomes and high dropout rates from treatment. As a result, these groups are further isolated and disincentivized to seek future treatment.
- **Funding:** Participants reported that program models that are created to facilitate culturally appropriate care and receive funding may lose their funding as improvements are witnessed, which puts these critical programs in jeopardy. Moreover, when agreed upon collaborations with organizations or providers for culturally-specific programs or beds are made available for these groups, often funding for these collaborations does not come to fruition, causing frustration and further disillusionment with the system and treatment offerings.
- **Workforce Challenges:** Many positions in the behavioral and mental health field require degrees, which is a deterrent for many applicants and does not allow for a diverse workforce to be sufficiently built up. And among the existing workforce, there is a need for workforce development that is culturally specific, including leadership.
- **Support for Smaller Organizations:** Smaller organizations and programs serve an important purpose within the behavioral and mental health system and need support to bolster their foundational structure. They should receive flexibility and technical support as they work to build out processes and programs to offer culturally-specific services that better serve diverse patient populations. Reporting requirements can be especially challenging, and often do not take precedence for smaller organizations, so flexibility would be appreciated for these types of organizations. Larger, established organizations often have advantages over smaller, newer providers in winning and managing grants, which creates an unlevel playing field.
- **Grants for Culturally-Specific Groups:** In order to bring culturally-specific groups and patients to the table, the State should offer grant opportunities that are targeted and limited in order to increase cultural diversity and expand funding opportunities for organizations that will offer culturally-specific services.

## Caregivers with Lived Experience

There were six participants in the Caregivers with Lived Experience focus group, which was held on October 24, 2023. The key themes that emerged from participants in this focus group are as follows:

- **Waiting Periods:** There are often long waiting periods to receive treatment, especially for residential treatment settings and the emergency department. This is especially detrimental for people who are in crisis, and frustrating for parents when a child is in desperate need of care and unable to access treatment within the level of care that is appropriate for their needs.
- **Capacity:** There are severe limitations in available services due to distance/travel constraints, staffing, resource constraints, and other issues. These capacity issues have an impact on receiving timely and appropriate care. Due to capacity issues, the system is not able to provide the services needed to the amount of people requiring services.
- **Staffing:** Given staffing shortages and workforce burnout, there is a lack of access to providers, especially for psychiatric/mental health services and therapy. Veterans are acutely affected by this issue. This issue could be partially addressed by launching tuition reimbursement or training programs that attract providers to the field and incentivize them to practice in Oregon.
- **High Barrier to Entry:** Participants in this focus group expressed that the definition of “a danger to yourself or others” is too high a bar for entry into a secure treatment facility. More specifically, only extremely high-need patients are able to access psychiatric inpatient treatment. Participants explained that this high barrier to entry encourages a negative cycle, as people are either excluded from these treatment options or encouraged to allow their conditions to worsen in order to qualify for admission. There is a need to expand access to partial and residential treatment options at different acuity levels and points of intervention, so that individuals’ conditions do not have to worsen to access treatment, and the behavioral health continuum is able to meet people where they are.
- **Access to Appropriate Providers:** A major barrier to accessing appropriate providers is the need to go through a primary care provider for a referral to behavioral or mental health treatment when many of these providers are not trained in mental health and SUD. And, if there is a form about mental health and drug use at a primary care provider’s office, often these forms are ignored and the need for mental health or SUD treatment is overlooked. It would be helpful for patients to have the ability to establish a primary care provider in mental health too, to ensure the coordination of care, an adherence to treatment, and that all needs are being sufficiently addressed.
- **Administrative Barriers:** Many forms are required to access doctors and programs, especially inpatient treatment. It can be retriggering for patients and families to do enormous amounts of paperwork for each interaction with the system.
- **Communication with Families:** There is inadequate communication with families and caregivers from facilities, especially if the patient is an adult. For caregivers of adults, it is difficult to not be able to access certain aspects of their care while still being fully responsible for their treatment and safety. Family and parental involvement is crucial to the care of a patient and building a strong family unit in the midst of a crisis situation.
- **Care Coordination:** Participants reported significant issues that result from poor care coordination. First, trauma is created by repetitive forms that are ignored or describing struggles time and time again to different providers with no resulting action or access to support. Second, patients get passed between doctors with no emphasis on trust or relationship building with providers. Though there are high turnover rates and staffing shortages within the industry, placing patients and families with doctors with whom they have an existing relationship should be a priority. The focus group participants offered a few key ways the State could address issues of care coordination, such as: embed care coordination into every clinic, improve access to services outside of crisis situations, marry mental and physical health care and encourage these providers to collaborate, work with law enforcement and State agencies to track individuals in mental health crisis, and offer early intervention and wraparound services.

- **Quality of Care:** Throughout our community engagement period, people expressed their dissatisfaction with the quality of care across the mental and behavioral health systems in the State. The participants in this focus group echoed this sentiment, that the quality of care is neither good nor adequate and has led to repeated failures and hopelessness. When it is challenging to access programs and services that fit a patient's needs, especially in crisis, it is unacceptable that once they gain access, the care serves no purpose or is of poor quality.
- **Hopelessness:** In this focus group, participants posed this question: how can you have hope in the system when it continues to fail at every juncture? For many caregivers with lived experience who have navigated extremely challenging situations within the behavioral and mental health systems, it feels as though no one sees or hears you even when you are in the utmost need. They shared that the system is truly broken and reiterated that these are humans and loved ones the system is continuously failing. These sentiments breed hopelessness that can affect every interaction and touchpoint.

### Tribal Leadership Discussion

The key themes that emerged during the tribal leadership discussion included:

- **Cultural Approaches to Care:** Participants indicated that there are currently not enough culturally-specific treatment facilities, and those that are in operation currently face severe waitlists and staffing challenges. In addition, there needs to be more openness for traditional treatment considerations, particularly tribe-specific practices. Providers have seen success in treating individuals when integrating each tribe's unique cultural approach. There were many suggestions for how to strengthen culturally-specific services, including creating tribal-based practice models, encouraging a culturally-specific peer workforce, and creating clear and affordable paths for tribal descendants to access education and training for behavioral health clinical positions. Additionally, capacity to care, especially retaining workforce, is particularly difficult in rural areas. Encouraging the workforce development of tribal members with close ties to the area could help address this issue.
- **Housing and Community-Based Services:** There is a great need for housing and supportive housing programs that can support individuals with behavioral health and substance use diagnoses, especially low and no barrier options. Without these programs, residential facilities and hospitals cannot safely discharge individuals. In addition to housing, lack of long-term support serves as a large hurdle in care management and low-term success of individuals seeking treatment for behavioral health or substance use disorders.
- **Assessing Leading Practice:** While policy recommendations are necessary and important, the State of the behavioral health system and the way it impacts tribes needs to be urgently addressed. Participants recommended looking at leading practices in other states and tribal communities, particularly Alaska and Idaho, to seek immediate answers on improving workforce and access to services.
- **OHA and Program Building:** Participants emphasized that the tribes are incredibly diverse, with a range of traditions and practices that are essential to consider when building interventions, including residential facilities. As the State continues to work closely with the tribes, they must remember that implementing a wide-sweeping approach to care will likely not be successful. Consistent relationship building from OHA will help to develop culturally specific programming that is rooted in the communities it seeks to impact.



## APAC DATA REVIEW

### INTRODUCTION

PCG collaborated with the OHA Office of Health Analytics to acquire the All Payer All Claims (APAC) data files spanning from 2019, 2021 and 2022. Recognizing the volatility caused by the COVID-19 pandemic, PCG decided to procure data from this three-year period to account for changes in financial reimbursement, admissions, closures, and staffing issues which would impact claims patterns during this time period, noting 2022 and 2023 are not complete data sets because the Medicare data was not uploaded at the time of our data retrieval. Upon obtaining the data, we conducted a high-level review to assess patterns and trends in services, focusing solely on facilities within the defined scope. The following outlines our methodology and key findings from the APAC review, as related to this study.

### ANALYSIS METHODOLOGY

PCG received extensive claims data comprising millions of lines, necessitating the use of the "R" programming language for iterative importation and aggregation of the data. This involved breaking down the data into manageable pieces, conducting seven iterations in total. During each iteration, we assigned appropriate column names, loaded and aligned the corresponding data pieces with the relevant column headings. Subsequently, we filtered each data element to retain only rows featuring mental health or substance use diagnosis codes in the primary diagnosis field, as well as taxonomy codes associated with inpatient psychiatric units (distinct part units or freestanding hospitals), mental health residential, or substance use disorder residential facilities and withdrawal management facilities. We then aggregated various metrics such as the number of claims, claim lines, patients, providers, and total expenditure based on combinations of taxonomy codes, diagnosis codes, zip codes, payer type, facility type, and ATAB region. After processing each segment of the data file, we recombined the pieces and aggregated them using the same variables to allow further analysis.

After this data preparation was complete, PCG conducted an analysis of APAC data to assess utilization variables affecting facility requirements, bed capacity, and programming needs. This included examining average length of stay, total claims paid, and diagnosis characteristics across all payer types to juxtapose with the capacity needs outlined in this report. The data was aggregated by categorizing all diagnoses into their respective categories to identify the top five diagnosis categories across all payer types. For instance, the category of Schizophrenia Spectrum and Other Psychotic Disorders encompassed diagnoses such as Schizophrenia, Schizoaffective Disorder, Brief Psychotic Disorder, Delusional Disorder, and similar conditions. Furthermore, we segmented all claims by payer type and classified all facilities by taxonomy codes to assess bed utilization. PCG also conducted an analysis measuring Episode Length of Stay (ELOS) for the facility types of interest. SQL Server Management Studio (SSMS) was used to query the APAC data to aggregate the claims into defined episodes. The SQL script to measure episodes of care and calculate ELOS was written by the client and adapted to run in SSMS. The output allowed PCG to assess trends in ELOS, reimbursement and utilization by facility type of interest. It is important to note that the APAC data was missing information in the bill type code, admit date and discharge date fields in a number of claims, which are pertinent in identifying facilities and calculating ELOS. Due to a significant number of missing bill type codes (28,769,235 out of 31 million rows), PCG used taxonomy codes to identify facility types without filters on bill type code. Claims with missing admission or discharge dates were also excluded from the analysis. While the APAC data obtained from the Office of Analytics was comprehensive from 2019, 2021 and 2022 it should be noted that the data for 2022 and 2023 may lack complete Medicare data at the time of the data run and could differ from other reported data sources. Hence, the analysis should be regarded as a snapshot, acknowledging these limitations. Additionally, the analysis of APAC data did not encompass utilization of inpatient psychiatric services at State hospitals, due to focusing solely on community treatment alternatives.

## KEY FINDINGS

PCG's analysis of the APAC data identified the following key findings:

- The total amount paid for all behavioral health and substance use disorders treated in each facility within the scope of the study, totaled \$437,797,660 in 2021 and 2022. However, the data contained gaps, specifically missing payment totals for 17,870 combined episodes, therefore the total cost spent on services is projected to be significantly higher than the total sum identified.
- The combined claim episodes decreased in all facility types except for Psychiatric Hospitalization from 2021 to 2022, which could be explained by a couple of factors. The first is an incomplete data set for 2022, with missing Medicare data, followed by incomplete data due to missing fields such as admission or discharge dates, in addition there could be some decreases in specific facility types due to closure or staffing challenges.
- The combined total number of days utilized decreased from 2021 to 2022, which could be explained by an incomplete data set for 2022, with missing Medicare data, followed by incomplete data due to missing fields such as admission and discharge dates.
- The combined average length of stay for inpatient psychiatric admissions between both inpatient psychiatric – freestanding and inpatient psychiatric – hospital unit for 2021 is 23.03 days.
- The combined average length of stay for inpatient psychiatric admissions between both inpatient psychiatric – freestanding and inpatient psychiatric – hospital unit for 2022 is 12.66 days.
- The combined average length of stay for Mental Health Residential for 2021 is 33.65 days.
- The combined average length of stay for Mental Health Residential for 2022 is 15.99 days.

When analyzing the data, 2021 appears to be the most consistent data to identify Oregon's utilization trends, although limitations exist within the data with gaps in Medicare data and missing or incomplete data fields. When further comparing the length of stay, the 2021 combined inpatient psychiatric hospital length of stay of 23.03 days and withdrawal management findings of 8.55 days seem in line, even though higher than other reviewed reports. One source reports the average length of stay in a hospital is between 3 to 10 days; Oregon's would appear higher, although trending down in 2022; however, additional data would be needed to confirm. Additionally [Lifeline Connections<sup>xxviii</sup>](#) reports Withdrawal Management treatment is on average 3 to 5 days, with Oregon's average length of stay just slightly above.

However, when reviewing the residential treatment length of stay, both mental health and SUD residential average length of stay appear to be on the lower end of reported norms. Oregon's combined Mental Health residential length of stay during 2021, is 33.65 days and SUD residential is 16.66 days. The [Anxiety and Depression Association of America<sup>xxix</sup>](#) cite the average residential stay is 30 to 60 days and [The American Addiction Centers<sup>xxx</sup>](#) reports the average SUD residential program is 3 months to 6 months.

The variances in the reported data are significant enough to warrant additional analysis or studies to ensure the Medicare data is accounted for, gaps in data are filled in and a thorough analysis is conducted to make further assessments and decisions on bed utilization and capacity at a local level. This crucial step will further develop conversations and ensure capacity and clinical needs are being met in a timely manner to meet the needs of all Oregonians.



**Table 31. 2021 APAC Data Table**

Year	Taxonomy Code	Taxonomy Description	Combined Claim Episodes	Total Number of Days	Average Length of Stay	Claims Paid Per Year by Facility Type
2021	283Q0000X	Psychiatric Hospital	2,897	51,411	17.75	\$16,394,490
	273R0000X	Inpatient Unit	3,848	108,922	28.31	\$45,740,616
	32080000X	Psychiatric Residential	6,144	256,461	41.75	\$98,241,812
	323P0000X	Psychiatric Residential	3,559	90,904	25.55	\$30,212,305
	32450000X	SUD Residential	55,984	932,414	16.66	\$56,228,209
	27640000X	Withdrawal Management Medically Monitored	804	6,869	8.55	\$3,033,508
	<b>Totals</b>		<b>73,236</b>	<b>1,446,981</b>		<b>\$249,850,940</b>

**Table 32. 2022 APAC Data Table**

Year	Taxonomy Code	Taxonomy Description	Combined Claim Episodes	Total Number of Days	Average Length of Stay	Claims Paid Per Year by Facility Type
2022	283Q0000X	Psychiatric Hospital	3,104	33,215	10.7	\$15,296,362
	273R0000X	Inpatient Unit	3,643	53,223	14.61	\$47,199,926
	32080000X	Psychiatric Residential	4,499	74,052	16.46	\$40,529,960
	323P0000X	Psychiatric Residential	3,311	51,410	15.53	\$22,009,458
	32450000X	SUD Residential	53,380	569,229	10.66	\$60,043,293
	27640000X	Withdrawal Management Medically Monitored	785	4,518	5.76	\$2,867,721
	<b>Totals</b>		<b>68,722</b>	<b>785,647</b>		<b>\$187,946,720</b>

**Table 33. Total Combined Claim Episodes**

Taxonomy Code	Taxonomy Description	2021 Combined Claim Episodes	2022 Combined Claim Episodes	Difference
283Q0000X	Psychiatric Hospital	2,897	3,104	207
273R0000X	Inpatient Unit	3,848	3,643	(205)
32080000X	Psychiatric Residential	6,144	4,499	(1,645)
323P0000X	Psychiatric Residential	3,559	3,311	(248)
32450000X	SUD Residential	55,984	53,380	(2,604)
27640000X	Withdrawal Management Medically Monitored	804	785	(19)
<b>Totals</b>		<b>73,236</b>	<b>68,722</b>	<b>(4,514)</b>

**Table 34. Total Number of Days by Facility Type**

Taxonomy Code	Taxonomy Description	2021 Total Number of Days	2022 Total Number of Days	Difference
283Q0000X	Psychiatric Hospital	51,411	33,215	(18,196)
273R0000X	Inpatient Unit	108,922	53,223	(55,699)
32080000X	Psychiatric Residential	256,461	74,052	(182,409)
323P0000X	Psychiatric Residential	90,904	51,410	(39,494)
32450000X	SUD Residential	932,414	569,229	(363,185)
27640000X	Withdrawal Management Medically Monitored	6,869	4,518	(2,351)
<b>Totals</b>		<b>1,446,981</b>	<b>785,647</b>	<b>(661,334)</b>

## FORECASTED BEHAVIORAL HEALTH CAPACITY NEEDS

### INTRODUCTION

Like other states around the U.S., Oregon has sought to assess shortages in mental health and SUD treatment beds to improve access and treatment options for Oregonians. Although there is no perfect methodology for determining the appropriate number of residential and inpatient beds in a given behavioral health system, PCG used an array of State and National data sets, findings from literature research, as well as surveys of treatment facilities to estimate mental health and SUD treatment bed capacity and needs within the continuum of care. The measurement described below relies on a longstanding ratio standard, which considers the number of beds required to meet treatment needs per 100,000 people in a given population, to establish and determine capacity needs. The table below further describes PCG's workstreams to analyze data and develop capacity projections.

**Table 35. Work Streams for Capacity Data Analysis**

Work Stream	Process
<b>Quantitative Data Analysis</b>	<ul style="list-style-type: none"> <li>Confirmed the data points required with OHA to accurately describe current adult behavioral health and SUD facilities and bed types by region.</li> <li>Reviewed data points from State and community partners.</li> <li>Processed data received and conducted follow-up with identified sources as needed.</li> <li>Completed Provider Survey</li> <li>Incorporated additional data from the cited sources in the report, in addition to the following sources into the analysis: <ul style="list-style-type: none"> <li><a href="#">National Association of State Mental Health Program Directors, Trends in Inpatient Capacity<sup>xxx</sup></a></li> <li><a href="#">Substance Abuse and Mental Health Services Administration (SAMHSA) National Survey of Substance Abuse Treatment Services (N-SSATS) 2020<sup>xxxii</sup></a></li> <li><a href="#">Substance Abuse and Mental Health Services Administration (SAMHSA), 2020 National Mental Health Services Survey (N-MHSS)<sup>xxxiii</sup></a></li> </ul> </li> </ul>
<b>Peer State Analysis</b>	<ul style="list-style-type: none"> <li>Identified and confirmed five states for inclusion: Colorado, Kentucky, Massachusetts, Utah, and Washington. <ul style="list-style-type: none"> <li>Colorado, Utah, and Washington represent similar geographies</li> <li>Kentucky represents a similar population</li> <li>Massachusetts is a highly ranked state nationally for access to general mental health care with the most providers per capita</li> <li>Utah is similar statistically with prevalence of mental health and overdose statistics, as well as similar geographies and populations</li> </ul> </li> <li>These states were used as benchmarks for community bed capacity based on data obtained from: <ul style="list-style-type: none"> <li><a href="#">The National Association of State Mental Health Directors Trends in Inpatient Capacity<sup>xxx</sup></a></li> <li><a href="#">Substance Abuse and Mental Health Services Administration (SAMHSA) National Survey of Substance Abuse Treatment Services (N-SSATS) 2020<sup>xxxii</sup></a></li> <li><a href="#">Substance Abuse and Mental Health Services Administration (SAMHSA), 2020 National Mental Health Services Survey (N-MHSS)<sup>xxxiii</sup></a></li> </ul> </li> </ul>

## CURRENT & PENDING CAPACITY

As noted earlier in this report, PCG gathered and analyzed available Oregon bed source data to estimate current behavioral health capacity for the facilities within our scope. In addition to the current capacity, PCG reviewed the Behavioral Health Investment Team data to determine the facilities that are currently under construction, expanding their capacity and contributing to the overall bed capacity within the State. There may be facilities currently in development which are not State funded, however this report includes data on the facilities that are only receiving State funds. PCG determined a timeline of third quarter 2025 for beds to be online and accessible, by reviewing anticipated completion dates listed in grants that are supported with State funding through HB5202 and HB5024. Table 36 below details the current capacity, pending capacity, total beds projected by the third quarter of 2025, and the current and pending beds per 100,000 people.

**Table 36. Current Facility Capacity**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Beds Per 100k population
State Psychiatric Hospital	577	0	577	13.62
Inpatient Psychiatric Beds	461	0	461	10.88
Mental Health Residential (RTF & RTH only)	810	219	1029	24.29
Mental Health Residential (AFH only)	493	5	498	11.76
Secure Residential Treatment Facility (SRTF only)	510	77	587	13.86
SUD Residential	1,374	44	1418	33.48
Withdrawal Management	301	16	317	7.48
<b>Total</b>	<b>4,526</b>	<b>361</b>	<b>4,887</b>	<b>115.38</b>

## METHODOLOGY FOR DEFINING CAPACITY NEEDS

PCG used a variety of methodologies to determine the capacity needs for each facility type within scope – PCG’s methodologies are detailed in Table 37 below. Due to recent data from the [Census.gov](https://www.census.gov) indicating the population in Oregon is decreasing, PCG did not include any percentages of increase to capacity need based on population changes.

**Table 37. Methodology for Defining Capacity Needs**

Facility Type	Methodology for Calculating Capacity Needed
<b>State Psychiatric Hospital</b>	OHA did not designate State Psychiatric Hospital beds as a prioritized requirement for this study. Consequently, PCG did not compute the needed capacity for State Psychiatric Hospitals.
<b>Inpatient Psychiatric Beds (Freestanding &amp; Unit)</b>	PCG conducted an analysis and formulated peer state comparisons using data sourced from <a href="#">“Benchmarks for Needed Psychiatric Beds for the United States: A Test of a Predictive Analytics Model,”<sup>xxxiv</sup></a> and <a href="#">“Minimum and optimal numbers of psychiatric beds: expert consensus using a Delphi process”<sup>xxxv</sup></a> . Additionally, PCG examined Oregon’s inpatient hospital bed needs from data sourced from <i>Benchmarks for Needed Psychiatric Beds for the United States: A Test of a Predictive Analytics Model</i> . <sup>”</sup>
<b>Residential Treatment Facility &amp; Residential Treatment Home (RTF &amp; RTH)</b>	PCG conducted an analysis and formulated peer state comparisons using data sourced from <a href="#">The National Association of State Mental Health Directors Report titled “Trends in Psychiatric Inpatient Capacity, United States and Each State, 1970-2022.”<sup>xxxvi</sup></a> Additionally, PCG examined a decade’s worth of data from this report, focusing particularly on Oregon, to assess historical trends in Residential Treatment Facilities.
<b>Secure Residential Treatment Facility (SRTF)</b>	PCG conducted an analysis and formulated peer state comparisons using data sourced from <a href="#">“The National Association of State Mental Health Directors Report titled “Trends in Psychiatric Inpatient Capacity, United States and Each State, 1970-2022.”<sup>xxxvi</sup></a> Additionally, PCG examined a decade’s worth of data from this report, focusing particularly on Oregon, to assess historical trends in Secure Residential Treatment Facilities.
<b>Adult Foster Home (AFH)</b>	OHA did not designate Adult Foster Home beds as a prioritized requirement for this study. Consequently, PCG did not compute the needed capacity for Adult Foster Homes.
<b>Residential SUD Facility</b>	PCG derived projections for the bed needs of Residential SUD facilities using data and forecasts obtained from <a href="#">Substance Abuse and Mental Health Services Administration’s Calculating for an Adequate System Tool (CAST) model, as reported in the 2022 Oregon Substance Use Disorder Services Inventory and Gap Analysis<sup>vi</sup></a> as of January 2, 2024.
<b>Withdrawal Management Facility</b>	PCG derived projections for the bed needs of Residential SUD facilities using data and forecasts obtained from <a href="#">Substance Abuse and Mental Health Services Administration’s Calculating for an Adequate System Tool (CAST) model, as reported in the 2022 Oregon Substance Use Disorder Services Inventory and Gap Analysis<sup>vi</sup></a> , as of January 2, 2024.
<b>Crisis Facility</b>	RI International RTI Report with Recliners and Bed Needs in Appendix C <sup>xxxviii</sup>

## PEER STATE COMPARISON

To establish a benchmark for the targeted number of residential beds needed in Oregon per capita, we completed a peer state comparison using data from Colorado, Kentucky, Massachusetts, Utah, and Washington. Bed data was extracted from the [Substance Abuse and Mental Health Services Administration \(SAMHSA\), 2020 National Mental Health Services Survey \(N-MHSS\)](#)<sup>xxxiii</sup>. Although various factors may have evolved since then, including the repercussions of the COVID-19 pandemic, PCG utilized this report as a reference point for data calculations. The report includes the number of beds per state for 24-hour residential facilities and we used population data from the United States Census Bureau from 2020. For comparison purposes, we calculated the number of beds per 100,000 population and then averaged the peer state ratios to calculate our target beds per 100,000 population as shown in Table 38.

The peer state comparison tables do not represent the most residential beds per capita; however, for the sake of consistency, PCG utilized the same states to determine an average between all five peer states for the reasons outlined in our methodology. The states themselves may have different care models, staffing, bed types or utilization when compared to Oregon and the actual state residential beds per 100,000 population may not be the highest in the U.S; however, aggregating each state's residential beds gave a framework for comparison between all five states.

**Table 38. Calculating the Peer State Average for Residential Beds**

Source SAMHSA report Table 4.9

State	# Residential Beds	Population	Residential Beds per 100k
Colorado	412	5,773,714	7.14
Kentucky	878	4,505,836	19.49
Massachusetts	1,307	7,029,917	18.59
Utah	1,285	3,271,616	39.28
Washington	634	7,705,281	8.23
<b>Average</b>	<b>903.2</b>	<b>5,657,272</b>	<b>18.54</b>

## CAPACITY NEEDS ANALYSIS

### *Inpatient Psychiatric Beds*

Through PCG's analysis of all data sources, we have estimated 461 (10.88 beds per 100,000 population) inpatient psychiatric beds are currently available in Oregon. This includes Inpatient Psychiatric Facility – Freestanding, Inpatient Psychiatric – Unit in Hospital in a General or Acute Care Hospitals; however, this does not include “scatter beds”, which are beds in a general medical unit of a hospital used to place psychiatric inpatients. In addition, the total does not include State psychiatric hospital beds that have a total of 577 beds (13.62 per 100,000 population).

Inpatient psychiatric beds are usually for those who need intensive psychiatric inpatient level of care to manage an illness in an emergency or acute situation, but not requiring the highest level of intensity services provided by a State psychiatric hospital. According to a report published in the International Journal of Environmental Research and Public Health titled [“Benchmarks for Needed Psychiatric Beds for the United States: A Test of a Predictive Analytics Model.”](#)<sup>xxxiv</sup> the overall rate of psychiatric beds needed per 100,000 population, was 34.9. Additionally, this report identifies Oregon should have 35.98 beds per 100,000 people, and after reviewing with OHA, the direction was determined to utilize Oregon specific numbers as much as possible for this report. These figures are validated by another report entitled, [“Minimum and optimal numbers of psychiatric beds: expert consensus using a Delphi process.”](#)<sup>xxxv</sup> citing 30 to 60 beds per 100,000. To conduct a brief analysis of current capacity and needs within Oregon, PCG used 35.98 beds per 100,000 to estimate 1,524 inpatient psychiatric beds are needed in the State of Oregon. Consequently,

employing this methodology suggests that Oregon's capacity in inpatient psychiatric beds could increase by an additional 486 beds.

To further analyze the gap between the State of Oregon's inpatient psychiatric beds and the above needed projection, PCG combined the 461 existing psychiatric inpatient beds with the 577 current State psychiatric hospital beds, resulting in a total of 1038 inpatient psychiatric beds, equivalent to 24.51 beds per 100,000 population. With both bed capacity numbers combined, Oregon's beds per 100,000 population is below the 35.98 beds per 100,000 population Oregon specific benchmark by 11.47 beds per 100,000 population or 486 beds. Table 39 shows peer state beds per 100,000 population according to a 2021 report titled [\*"Benchmarks for Needed Psychiatric Beds for the United States: A Test of a Predictive Analytics Model."\*](#)<sup>xxxiv</sup> When reviewing peer states, utilizing the lowest beds per 100,000 from Utah and Washington, the average is 26.59 beds per 100,000 population, which is higher than Oregon's 24.51, by 2.08 or 88 beds.

**Table 39. Peer State Population and Inpatient Psychiatric Beds Per 100,000 Population**

State	Population	Psychiatric Hospital Beds per 100,000
Colorado	5,773,714	114.30
Kentucky	4,505,836	29.61
Massachusetts	7,029,917	32.62
Utah	3,271,616	28.45
Washington	7,705,281	24.73
Oregon	4,280,804	22.54

Although the Behavioral Health Residential+ Study did not encompass a comprehensive analysis of inpatient psychiatric freestanding, inpatient psychiatric - hospital unit beds, or State psychiatric hospital beds for that matter, PCG recognizes the necessity for a full continuum of care within a geographic region to facilitate psychiatric treatment and enhance accessibility, thereby mitigating challenges and bottlenecks to access care throughout the continuum. PCG would recommend further comprehensive analysis of inpatient psychiatric beds and investigation into how the State could support non-profit or for-profit hospitals in developing additional capacity for a minimum of 122 beds, a median of 243 beds, and up to a maximum of 486 beds. Furthermore, the inclusion of crisis facilities, supportive or transitional housing or additional outpatient programs, may potentially mitigate some of the required inpatient beds. In addition, the RI International Report, *Roadmap to Implementation of Oregon's 988 & Behavioral Health Crisis System*<sup>xxxviii</sup>, utilized the Crisis Now Calculator and identifies the short-term bed needs of 238 inpatient psychiatric beds with additional crisis beds and/or recliners to support behavioral health needs. These services could have a notable effect on the overall demand for hospital beds in the State, thanks to the supplementary support available within the community. Additionally, PCG has not outlined which type of community inpatient psychiatric hospital bed is needed, i.e. inpatient psychiatric- freestanding or inpatient psychiatric – hospital unit, as that would be best determined by the State, region and organization developing inpatient psychiatric bed capacity. Furthermore, the impact of State rules related to Certificate of Need, will need to be evaluated and considered when deciding to expand inpatient psychiatric bed capacity, as that could pose significant barriers, challenges, costs and time constraints, which could deter some organizations from entering the State or market as providers of inpatient psychiatric - freestanding hospitals.



## ***Mental Health Residential Treatment Facilities and Residential Treatment Homes***

Residential Treatment Facilities (RTF) and Residential Treatment Homes (RTH) are unlocked and provide community residential treatment for longer term care of adults with a mental health diagnosis. Of note, Adult Foster Homes could be discussed in this section; however, they were not included in the capacity needs assessment as high priority facilities in discussions with OHA, therefore only RTF and RTH facilities are discussed here.

As shown in Table 40, Oregon has 810 mental health residential beds in the State, of which 507 (11.97 beds per 100,000 population) are classified as RTFs and 303 (7.15 beds per 100,000 populations) as RTHs. Mental Health Residential Beds of this type, equating to 19.12 beds per 100,000 population.

**Table 40. Combined Residential Treatment Facilities and Homes Bed Current Capacity**

<b>Trauma System Area</b>	<b>ATAB 1</b> (Portland / N Coast)	<b>ATAB 2</b> (Mid-Willamette Valley / N Central Coast)	<b>ATAB 3</b> (S Willamette Valley / S Central Coast)	<b>ATAB 5</b> (Southern Oregon / S Coast)	<b>ATAB 6</b> (Columbia Gorge)	<b>ATAB 7</b> (Central Oregon)	<b>ATAB 9</b> (Eastern Oregon)	<b>Total</b>
Combined Number of Beds	419	140	84	38	0	66	63	810
Combined Beds per 100,000 Population	21	18.36	14.55	11.46	0	19.29	36.47	19.12

PCG analyzed data from grants supported with funding from HB 5202 and HB 5024 to determine the number of new mental health Residential Treatment Facility (RTF) and Residential Treatment Home (RTH) beds coming online. Through our analysis, PCG determined 219 new mental health RTF and RTH beds are coming online by the third quarter of 2025. With the current bed capacity of 810 plus the addition of 219 beds, we are projecting a total of 1,029 beds by the third quarter of 2025.

Utilizing peer states' average of 18.54 beds per 100,000, Oregon would need 785 beds to support this type of service and care. Currently, Oregon has a capacity of 810 beds or 19.12 beds per 100,000 population statewide. When combining additional capacity of 219 new beds by the third quarter 2025, Oregon will have a projection of 1,029 beds or 24.29 beds per 100,000 population. When comparing Oregon to peer states average, Oregon's beds per 100,000 projection of 24.29 exceeds beds per 100,000 population of the comparison states by 5.75, thereby indicating residential beds for Mental Health Facilities and Residential Homes meet or exceed needed capacity by this method.

To further analyze if the above-described method determined if bed capacity was met or exceeded, PCG analyzed Oregon's historical data from [The National Association of State Mental Health Directors Report, "Trends in Psychiatric Inpatient Capacity, United States and Each State, 1970-2022,"](#)<sup>xxxvi</sup> for the number of patients per 100,000 in a 24-Hour Residential Treatment Facility of each reporting year from 2010 through 2020 in the State of Oregon. On April 30th for each year reported, PCG can determine that the projected bed capacity of 1,029 or 24.29 beds per 100,000 does support the number of individuals in residential care treatment for the State in 2018 (22.36 per 100,000 population) and 2020 (17.31 per 100,000 population). Of note, in 2020, there is a decline in the number of patients per 100,000 reported; however, this would reflect the impact of the COVID-19 pandemic on health care.

However, if you average each year together for Oregon, the average number of patients in a 24-hour residential facility over the ten-year reporting period is 26.71 residents per 100,000 on a given date, indicating that 2.42 additional beds per 100,000 or 102 additional beds would be needed to support residential treatment services. If you remove the high and low variables reporting individuals per 100,000 in a 24-hour residential setting on that given date, the average is 24.43 per 100,000, placing Oregon within capacity of the projected beds within the State by the end of 2025. The current recommendation of meeting or slightly exceeding capacity needs by the end of 2025 with new additional capacity would be validated by

this methodology; however, incorporating an additional 102 beds into the care continuum would enhance capacity to address the complex and specialty population needs of residents in Oregon.

**Table 41. Average Patients in RTF or RTH Facility**

State	2010	2014	2018	2020	Average
Oregon	26.5	40.66	22.36	17.31	26.71

However, PCG would be remiss if we did not acknowledge an opportunity in the 24-hour residential space, in which a clear need was identified during our data collection and interviews. During PCG's interviews with providers and government subject matter experts, the difficulty of placing individuals with complex needs in 24-hour residential facilities emerged as a key theme. For example, we were told that mental health residential providers licensed by OHA's Behavioral Health Division may lack capacity to care for people who are aging, have significant physical needs or have co-occurring intellectual and developmental disabilities. Conversely, residential facilities licensed by the Oregon Department of Human Services—which covers the aging and people with disabilities (APD) population and intellectual and developmental disabilities (IDD) population—may not be equipped to care for people with serious mental health conditions. The net effect is that these populations are not being served adequately in any setting. Additionally, PCG also heard of difficulties in placing individuals into mental health residential facilities or homes for those with a forensic background, further creating hardship on those who would be a high risk for recidivism or exacerbating mental health or substance abuse diagnosis without care and treatment.

While the present study does not account for different types of care needs within adult residential beds, the State of Oregon would benefit from completing an additional study focusing on older adults, individuals with physical disabilities and co-occurring mental health or substance abuse diagnosis, individuals with co-occurring intellectual and developmental disabilities and individuals with a forensic history who require mental health treatment and continuum of care services, further defining if there is a need for increasing services and funding for these specialized population. In the event that the State of Oregon would like to add beds to the 24-hour residential facility continuum, PCG would recommend adding beds dedicated to these specialty population or other populations like those requiring intensive services or those who have more complex needs. Specifically, placing individuals within this population subset can be challenging due to the unique needs of the patients and the shortage of residential treatment homes and facilities capable of addressing both mental and physical requirements. Consequently, there is an increased likelihood of patients being "boarded" in facilities or emergency rooms until suitable placement becomes available, or potentially being homeless further exacerbating potential issues for individuals and the behavioral health care continuum.

### **Secure Residential Treatment Facilities (SRTF)**

PCG decided to complete the analysis of SRTFs separately due to a slightly higher level of care provided and different treatment environment structures, compared to Mental Health Residential Treatment Facilities or Homes. However, PCG utilized the same methodology to complete the analysis, capacity and needs assessment for Secure Residential Treatment Facilities as described above with Residential Treatment Facilities and Homes.

Secure Residential Mental Health Treatment Facilities are locked facilities, providing longer term care for individuals with a mental health diagnosis and usually for those with a criminal history or ordered to a locked community facility. The current estimate suggests that Oregon has 510 beds in SRTFs, equivalent to 12.04 beds per 100,000 population in the State, including 165 SRTF beds in the Oregon State Hospital (OSH) system. Of note, the 165 beds in the Oregon State Hospital system are not readily accessible to those in a community setting, therefore this limits the total number of SRTF beds available within the State to 345, which strains the care continuum for this type of bed.

PCG analyzed data from projects supported with funding from HB 5202 and HB 5024 to determine the number of new Secure Residential Treatment Facility (SRTF) beds coming online. Through our analysis, PCG determined 77 new SRTF beds are coming online by the third quarter of 2025. With the current bed capacity of 510 (inclusive of OSH SRTF beds) plus the addition of 77 beds, we are projecting 587 beds to support Secure Residential Treatment Facility needs by the third quarter of 2025, with the limitations described above.

Utilizing the peer states average of 18.54 beds per 100,000, Oregon would need 785 secure residential beds to support this type of service and care. Currently, Oregon has a capacity of 510 beds with an additional capacity of 77 new beds coming online by the third quarter 2025. At that time, Oregon will have a projection of 587 beds or 13.86 beds per 100,000 population, thereby requiring an additional 198 SRTF beds to meet or exceed needed capacity by this method.

To further analyze if the above-described method did determine if bed capacity was not met, PCG analyzed data from [The National Association of State Mental Health Directors Report, “Trends in Psychiatric Inpatient Capacity, United States and Each State, 1970-2022,”](#)<sup>xxxvi</sup> for the number of patients per 100,000 in a 24-Hour Residential Treatment Facility of each reporting year from 2010 through 2020 within the State of Oregon. On April 30th for each year reported, PCG can determine that the projected bed capacity of 587 or 13.86 beds per 100,000 does not support the number of individuals in secure residential care treatment for 2018 (22.36 per 100,000 population) and 2020 (17.31 per 100,000 population), thus indicating the capacity need is not met. Of note, in 2020, there is a decline in the number of patients per 100,000 reported; however, this would reflect the impact of the COVID-19 pandemic on health care.

However, with Secure Residential Treatment Facilities more exclusively providing care and treatment to individuals requiring a locked community facility, such as forensic status individuals, the trends according to The National Association of State Mental Health Directors report indicates a decline of 9% in forensic population in State psychiatric hospitals. While the report does not specifically account for different levels of care within community residential treatment options, PCG would recommend convening an advisory group to determine the most appropriate use of the additional 198 residential beds identified through the capacity analysis for Secure Residential Treatment Facilities. This is especially important to consider in light of the 165 SRTF beds on OSH campus, accounted for in the total SRTF bed capacity, which limits the availability of this type of bed in general throughout Oregon.

### ***Substance Use Disorder Residential Facilities***

Residential Substance Use Disorder treatment provides assessment, treatment, rehabilitation, and 24-hour observation and monitoring for individuals with substance use disorder, consistent with Level III of ASAM. Through our analysis, we identified Oregon has 1,374 SUD Residential Treatment Beds (32.44 per 100,000 population).

To determine SUD Residential capacity needs, PCG analyzed data from projects supported with funding from HB 5202 and HB 5024 to determine the number of new SUD Treatment Facility beds currently pending in the State. Through our analysis, PCG determined 44 new SUD residential beds will be available by the third quarter of 2025. With the current bed capacity of 1,374 beds plus the addition of 44 beds in progress, we are projecting a total of 1,418 beds (33.48 per 100,000 population) to support SUD Residential needs by mid-year 2025.

To evaluate SUD residential capacity needs, PCG utilized two resources to further evaluate the capacity needs for the State. First, a report from the Rand Corporation titled [“Psychiatric and Substance Use Disorder Bed Capacity, Need, and Shortage Estimates in Sacramento County, California,”](#)<sup>xxxvii</sup> which cited that a reference benchmark for adult SUD treatment beds needed were about 42.7 to 46.2 beds per 100,000 adults after literature research. Using the average of the quoted beds per 100,000 population of 44.45, PCG estimated that the State of Oregon would need 1883 beds with this method, which is 465 beds short to

support the needs in the State with projected capacity by the 3<sup>rd</sup> quarter of 2025, when all beds should be operational.

The second source within our analysis, and the model OHA determined to be the most precise for estimation of SUD residential capacity need, is the [2022 Oregon Substance Use Disorder Services Inventory and Gap Analysis report, which applied the SAMSHA-developed Calculating for an Adequate System Tool \(CAST\) model](#).<sup>vi</sup> This model includes predictions based on the Calculating for an Adequate System Tool (CAST)—from September of 2022 with support from JG Research & Evaluation reevaluating the prediction as of January 2, 2024. While the initial evaluation and numbers were completed and reported a little more than one year ago, a request was made to re-analyze data from PCG's current data assessment due to more precise data being made available so fewer assumptions would be made to predict CAST model estimates of SUD residential capacity need. JG Research & Evaluation staff updated estimates of capacity/need for withdrawal management facilities and SUD residential treatment facilities, providing a summary and new estimate with more refined data elements. During the re-evaluation, JG Research noted variations, which are two fundamental differences, in the approach taken to produce estimates for each facility type. These must be pointed out between the initial CAST estimates from the September 2022 report and the December 2023 evaluation, as they cause a shift in the numbers reported between the two points of reference. Those two fundamental differences are explained below:

1. The primary source of variation in the estimates is a transition from estimated capacity/need at the facility level to estimating it at the bed level. In doing so, there is an increased precision to the estimates as there are fewer assumptions built into the model about organization level bed capacity. The assessment methodology utilized for this assessment is called CAST and the base equations use national averages of organizational capacity to produce quantifiable estimates of need in the absence of complete organization specific information. This decision was made by the creator of CAST because of the broad challenges with states having access to precise and complete inventories of substance use care system intervention capacity. Due to work on a separate project, OHA was able to provide updated data that included bed totals by county, and these totals were utilized to produce new estimates.
2. The second source of variation is in the precision of the organization-level data. During the initial assessment, a set of assumptions were made about the existence of specific types of treatment services across organizational settings. With the updated dataset, this assumption has been removed from the models. Based upon conversations between JG staff and OHSU staff, the assumptions in the initial models were intentionally conservative to avoid overestimating the need in the absence of limited or incomplete data. In being able to have full information, the assumptions could be removed and replaced with a more precise understanding of bed capacity by county/region/State. The additional shift was in using data that was self-reported from organizations in assessment 1 to more reliable information via State licensing data in assessment.

The method of estimating the population who may need services as well as the components to the CAST estimation equations remained the same, minus the adjustment needed to estimate by bed rather than facility. All estimates have been completed by region, and region is defined by the boundaries used in SAMHSA's National Survey on Drug Use and Health (NSDUH). These boundaries are necessary, as there are no other reliable methods for estimating the populations of need. Use of these regional boundaries also ensures alignment of this assessment with the geography of the initial report.

Table 42 defines the NSDUH boundaries used to define regions for the CAST model, initial assessment, and re-assessment, which do not line up exactly with the ATAB regions.

**Table 42. NSDUH Boundaries for CAST Model**

Regions	Counties
<b>Region 1</b>	Multnomah
<b>Region 2</b>	Clackamas, Washington
<b>Region 3</b>	Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Yamhill
<b>Region 4</b>	Coos, Curry, Douglas, Jackson, Josephine, Klamath
<b>Region 5</b>	Crook, Deschutes, Jefferson
<b>Region 6</b>	Baker, Gilliam, Grant, Harney, Hood River, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, Wheeler

The updated equation of the CAST model included the following assumptions to build capacity needs for each region and the State of Oregon by facility type:

- Assumed the average length of stay is 25 days
- Assumed on average, across the population of likely users, that the re-use of a bed will occur 1.2 times per year

Considering the outlined variables, assumptions, and detailed data inputs, the projections for SUD residential treatment bed requirements for the entire State indicated a need for 3,775 beds in the updated forecast. Therefore, with the projected capacity, by 3<sup>rd</sup> quarter 2025 of 1,418 beds, with the addition of 44 beds, Oregon will still need 2,357 additional beds to develop capacity to the CAST bed projections needed. With the projected bed capacity, Oregon will have 33.48 beds per 100,000 population and if the State would increase the SUD residential treatment beds by 2,357 over a period of time, this would inflate Oregon's bed per 100,000 population to 89.13, thus increasing by 55.65 beds per 100,000 population.

While the CAST model was identified to be the most precise in reflecting the additional bed capacity need within the State due to utilizing more specific Oregon data, PCG also understand that a significant capital investment within the infrastructure would be needed to increase the SUD residential bed totals across the State. Therefore, the recommendation would be to create a five-year plan, thereby increasing the State's SUD residential treatment bed capacity by a minimum of 1,179 and a maximum of 2,357 beds to meet the anticipated demand as an ideal state based on State, regional, county and city input for further need of these beds.

Table 43 identifies the projected bed needs to support the demand for SUD residential treatment by region.



**Table 43. Capacity and Demand**

Region	Calculated Bed Demand
Region 1	745
Region 2	896
Region 3	1,175
Region 4	519
Region 5	222
Region 6	217
Statewide	3,775

### ***Withdrawal Management Facilities***

Through our analysis, we identified that Oregon has a total of 301 Withdrawal Management Beds (7.11 beds per 100,000 population), currently, with 293 beds (6.82 per 100,000 population) designated as Medically Monitored Withdrawal treatment beds and 8 (0.28 per 100,000 population) beds are classified as Clinically Managed Withdrawal treatment beds. Medically Monitored and Clinically Managed treatment differ by the setting, management, and monitoring of individuals going through withdrawal or detoxification treatment and under the type of treatment guidance provided by medically or clinically trained personnel. Medically monitored is an inpatient setting that provides medically managed intensive inpatient treatment services requiring 24-hour nursing care and under the guidance of a physician and classified as ASAM Level 3.7. Clinically Managed Withdrawal Management is provided in a setting which is residential in nature, delivering clinically managed services directed by non-physician addiction specialist rather than medical or nursing personnel and classified as ASAM Level 3.2. Medically Monitored is considered the higher level of care of the two care delivery models, therefore allowing either Clinically Managed or Medically Monitored treatment to occur in this setting versus Clinical Management which can only provide Clinically Managed treatment or lower.

To determine Withdrawal Management capacity needs, PCG analyzed data from projects supported with funding from HB 5202 and HB 5024 to determine the number of new Withdrawal Management beds in development currently within the State. Through our analysis, PCG determined that 16 new Medically Monitored Withdrawal Management beds will be available by the third quarter of 2025. With the current bed capacity of 301 plus the addition of 16 beds in progress, we are projecting a total of 317 beds (7.48 beds per 100,000 population) to support Withdrawal Management needs by mid-year 2025.

As for Substance Abuse Disorder Residential Treatment beds, at the direction of OHA, PCG utilized CAST estimate<sup>vi</sup> predictions from JG Research & Evaluation. While the initial evaluation and numbers were completed and reported a little more than one year ago, a request was made to re-analyze data from PCG's current data assessment due to more precise data being made available and therefore fewer assumptions were made to predict CAST model estimates of Withdrawal Management capacity need. JG Research & Evaluation staff updated estimates of capacity/need for withdrawal management facilities, providing a summary and new estimate with more refined data elements. During the re-evaluation, JG Research noted variations, which are two fundamental differences, in the approach taken to produce estimates for each facility type. These must be pointed out between the initial CAST estimates from the September 2022 report and the December 2023 evaluation, as they cause a shift in the numbers reported between the two points of reference. Those two fundamental differences are explained below:

1. The primary source of variation in the estimates is a transition from estimated capacity/need at the facility level to estimating it at the bed level. In doing so, there is an increased precision to the estimates as there are fewer assumptions built into the model about organization level bed capacity. The assessment methodology utilized for this assessment is called CAST and the base equations use national averages of organizational capacity to be able to produce quantifiable estimates of need in the absence of complete organization specific information. This decision was made by the creator of CAST because of the broad challenges with states having access to precise and complete inventories of substance use care system intervention capacity. Due to work on a separate project, OHA was able to provide updated data that included bed totals by county, and these totals were utilized to produce new estimates.
2. The second source of variation is in the precision of the organization-level data. During the initial assessment, a set of assumptions were made about the existence of specific types of treatment services across organizational settings. With the updated dataset, this assumption has been removed from the models. Based upon conversations between JG staff and OHSU staff, the assumptions in the initial models were intentionally conservative to avoid overestimating the need in the absence of limited or incomplete data. In being able to have full information, the assumptions were able to be removed and replaced with a precise understanding of bed capacity by county/region/State. The additional shift was in using data that was self-reported from organizations in assessment 1 to more reliable information via State licensing data in assessment.

The method of estimating the population who may need services as well as the components to the CAST estimation equations remained the same, minus the adjustment needed to estimate by bed rather than facility. All estimates have been completed by region and region is defined by the NSDUH boundaries. These boundaries are necessary, as there are no other reliable methods for estimating the populations of need. Use of these regional boundaries also ensures alignment of this assessment with the geography of the initial report.

Table 44 defines the NSDUH boundaries used to define regions for the CAST model re-assessment, which do not line up exactly with the ATAB regions.

**Table 44. NSDUH Regions for CAST Reassessment**

Regions	Counties
<b>Region 1</b>	Multnomah
<b>Region 2</b>	Clackamas, Washington
<b>Region 3</b>	Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Yamhill
<b>Region 4</b>	Coos, Curry, Douglas, Jackson, Josephine, Klamath
<b>Region 5</b>	Crook, Deschutes, Jefferson
<b>Region 6</b>	Baker, Gilliam, Grant, Harney, Hood River, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, Wheeler



The updated equation of the CAST model included the following assumptions for Withdrawal Management facilities for each region.

- Assumed that the average length of stay is 5 days
- Assumed that on average, across the population of likely users, re-use of a bed will occur 2.2 times per year

With the variables, assumptions, and detailed data inputs described above, the projections for Withdrawal Management bed needs for the State indicated that 888 beds (20.74 beds per 100,000 population) were needed in the updated forecast. Therefore, with the projected bed capacity of 317, the State of Oregon would need an additional 571 (13.34 beds per 100,000 population) Withdrawal Management beds to support this service and demand. As with other service types, the type of bed (Medical vs Clinical management) which is needed in this treatment capacity is not determined by this study; however, left up to the State, regions, counties or cities to determine which bed type would best serve the need.

Table 45 identifies the projected bed needs to support the demand for withdrawal treatment beds by region.

**Table 45. Calculated Bed Demand Based on Cast Scores**

Region	Calculated Bed Demand
Region 1	175
Region 2	211
Region 3	276
Region 4	122
Region 5	52
Region 6	51
Statewide	888

## Summary of Capacity Needs

After analysis of current, pending, and projected forecasted needs, PCG has identified areas and bed capacity needs by service and facility type for community based behavioral health care which includes mental health residential, secure residential treatment facilities, SUD residential treatment, and withdrawal management services. Adult foster homes are not included in the table below. In addition, the summary of inpatient psychiatric facility capacity needs is outlined as well to close the gap on the high-level analysis completed on this service area. While the projection for additional capacity varies by the methodology utilized, below are the projected needs and total percentage increases by facility and service to increase capacity within Oregon.

**Table 46. Needed Capacity Analysis**

Facility Type	Current Capacity	Pending Capacity	Total Projected Capacity by 3rd Qtr 2025	Projected Additional Capacity Needed	Total Future Bed Capacity (Current + Pending + Needed Beds)	% Increase
<b>Inpatient Psychiatric Facility</b> (Includes State & Community Hospital Beds)	1,038	0	1,038	486	1,524	46.81%
<b>Mental Health Residential Facility</b> (RTF & RTH only)	810	219	1,029	102	1,131	9.91%
<b>Secure Residential Treatment Facility</b> (Current Capacity Includes 165 SRTF beds which are part of Oregon State Hospital)	510	77	587	198	785	33.77%
<b>SUD Residential Facility</b>	1,374	44	1,418	2,357	3,775	166.22%
<b>Withdrawal Management Facility</b> (Clinical & Medical)	301	16	317	571	888	180.13%
<b>Totals</b>	4,033	356	4,389	3714	8,103	84.63%

## Crisis Facilities

As previously mentioned in this report, certain crisis services or facilities in Oregon currently lack defined State rules and do not possess designated licensing and certification criteria. The Behavioral Health Division is actively formulating licensing criteria for crisis facilities, which will offer clarity regarding the types of crisis services and care delivery at each facility. Consequently, PCG's report does not encompass an analysis of the current capacity of beds and recliners providing crisis services. This omission arises from the diverse ways in which different facilities render crisis services while awaiting the stipulated rules and requirements from the Oregon Health Authority.

However, in January 2022, RI International completed a report for OHA titled "Roadmap to Implementation of Oregon's 988 & Behavioral Health Crisis System."<sup>xxxviii</sup> This report meticulously outlined the projected crisis capacity needs for Oregon, taking into account the 2021 population and anticipated crisis episodes in each county. When assessing the crisis capacity requirements in Oregon, OHA should consider both the projected crisis episodes and how to effectively address the unique needs of each community across the State.

It's important to acknowledge that this report by RI International was completed over three years ago, and the data may have been influenced by post-pandemic factors. For further details, please refer to Appendix C from the RI International Report which is included below.

**Table 47. RI International Report Appendix C**

Name	2021 Population	Episodes	Recliner Need/Bed Need
Multnomah County	820,421	6,301	39/33
Washington County	610,968	4,692	29/25
Clackamas County	423,729	3,254	29/17
Lane County	389,103	2,988	19/16
Marion County	352,630	2,780	12/14
Jackson County	224,010	1,720	11/9
Deschutes County	209,266	1,670	10/9
Linn County	134,345	1,032	6/5
Douglas County	112,712	866	5/5
Yamhill County	108,566	834	5/4
Benton County	94,275	724	5/4
Polk County	88,271	678	4/4
Josephine County	88,161	677	4/4
Umatilla County	79,008	607	4/3
Klamath County	69,340	533	3/3
Coos County	64,917	499	3/3
Columbia County	52,572	404	3/2
Lincoln County	51,438	395	2/2
Clatsop County	41,250	317	2/2
Malheur County	30,607	235	1/1
Tillamook County	27,688	213	1/1
Wasco County	27,182	209	1/1
Union County	27,103	208	1/1
Jefferson County	25,674	197	1/1
Crook County	25,562	196	1/1
Hood River County	23,612	181	1/1

<b>Curry County</b>	23,185	178	1/1
<b>Baker County</b>	16,304	125	1/1
<b>Morrow County</b>	12,089	93	1/0
<b>Lake County</b>	7,937	61	0/0
<b>Harney County</b>	7,595	58	0/0
<b>Wallowa County</b>	7,508	58	0/0
<b>Grant County</b>	7,227	56	0/0
<b>Gilliam County</b>	1,950	15	0/0
<b>Sherman County</b>	1,940	15	0/0
<b>Wheeler County</b>	1,294	10	0/0

## FORECASTED BEHAVIORAL HEALTH FUNDING NEEDS

PCG has determined an average cost per bed to build facilities based on available grant data provided by the OHA Behavioral Health Investment Team, Request for Information data, national research as well as estimates from RS Means Data Online. It is essential to recognize that these numbers solely encompass capital expenses and do not encompass other costs like staffing or operations.

PCG used a variety of methodologies to determine the forecasted costs for each facility type within scope – PCG's methodologies are detailed in Table 48 below.

**Table 48. Methodology for Forecasted Behavioral Health Funding Needs**

Facility Type	Methodology for Calculating Capacity Needed
<b>State Psychiatric Hospital</b>	Given this was not a priority area for this Study, PCG did not compute the necessary funding for State psychiatric hospitals.
<b>Inpatient Psychiatric Facility (Freestanding &amp; Unit)</b>	PCG conducted research on national examples to determine new building cost per bed and renovation cost per bed for inpatient psychiatric beds. 10 examples were chosen across the US and used for this analysis <sup>xxxix</sup> .
<b>Mental Health Residential Facility (RTF &amp; RTH)</b>	Development cost data from the Behavioral Health Investment Team was used to derive an average cost per bed. PCG then found some example square footages through our research to calculate an average square footage of an RTF and RTH to utilize in RS Means. <sup>xi</sup> This produced a cost per bed based on the average number of beds across all current capacity data. The two data points (Behavioral Health Investment Team data and RS Means data) were averaged together to get an average capital cost per bed.
<b>Secure Residential Treatment Facility</b>	Development cost data from the Behavioral Health Investment Team was used to derive an average cost per bed. PCG then found some example square footage through our research to calculate an average square footage of an SRTF to utilize in RS Means. <sup>xii</sup> This produced a cost per bed based on the average number of beds across all current capacity data. The two data points (Behavioral Health Investment Team data and RS Means data) was averaged together to get an average capital cost per bed.
<b>Adult Foster Home (AFH)</b>	Given this was not a priority area for this Study, PCG did not compute the necessary funding for Adult Foster Homes.
<b>Residential SUD Facility</b>	2 RFIs were provided by OHA and those costs were used to determine an average cost per bed. PCG then found some example square footage through our research as well as from providers to calculate an average square footage of a Residential SUD facility to enter into RS Means. <sup>xlii</sup> (Executive Director, Personal Communication, March 13, 2024)(Facility Program Director, Personal Communication, March 13, 2024) This produced a cost per bed based on the average number of beds across all current capacity data. The two data points (RFI data and RS Means data) was averaged together to get an average capital cost per bed.
<b>Withdrawal Management Facility</b>	2 RFIs were provided by OHA and those costs were used to determine an average cost per bed. PCG then found some examples of square footage through our research to calculate an average square footage of a Withdrawal Management facility to enter into RS Means. <sup>xliii</sup> This produced a cost per bed based on the average # of beds across all current capacity data. The two data points (RFI data and RS Means data) was averaged together to get an average capital cost per bed.
<b>Crisis Facility</b>	While Crisis Facilities are a priority for OHA, PCG is only during a review of the landscape of crisis services while the rules are being formally developed and implemented. Consequently, PCG did not compute the necessary funding for Crisis.

## RESEARCH ON INPATIENT COST ESTIMATIONS

PCG conducted research to determine national standards for inpatient capital cost estimates. Through our research, PCG identified ten examples of states opening new inpatient behavioral health beds and the associated capital costs. However, some of the examples were for construction of new facilities while other examples are for renovation of existing facilities. The capital cost estimate range, average development cost, and the average cost per bed are detailed below.

**Table 49. Inpatient Estimated Capital Costs**

Facility Type	Minimum Estimate	Maximum Estimate	Average Total Facility Development Cost	Average Cost per Bed
New Build	\$60,000,000.00	\$234,000,000.00	\$132,600,000.00	\$1,272,520.20
Renovation	\$1,975,000.00	\$9,700,000.00	\$5,335,000.00	\$214,873.38

## BEHAVIORAL HEALTH INVESTMENT TEAM DATA FOR COST ESTIMATIONS

### Mental Health Residential Facilities Capital Costs

PCG received preliminary estimates of new facility construction costs provided by the OHA Behavioral Health Investment Team. The dataset from the Behavioral Health Investment Team included sixteen records categorized with the following facility categories:

- 8 Residential Treatment Facilities
- 1 Residential Treatment Home
- 7 Secure Residential Treatment Facilities

The cost of the one Residential Treatment Home is \$652,500 for the five-bed facility, or \$130,500 per bed. For Residential Treatment Facilities, the costs range from \$1,789,000 to \$6,155,500 with an average cost of \$3,466,137.50 per facility. The per-bed cost of these facilities ranges from \$121,869 to \$384,718.80 with an average of \$249,558.38 per bed. For Secure Residential Treatment Facilities, the total cost range is \$515,658 to \$12,494,000 with an average cost of \$5,761,802 per facility. The per-bed cost of SRTFs ranges from \$85,943 to \$780,875 with an average cost of \$415,982.54 per bed in these facilities.

There are limited data points included in this analysis and substantial ranges in the estimates, particularly for Secure Residential Treatment Facilities. The table below summarizes the average total facility development cost and average cost per bed for each facility type.

**Table 50. Behavioral Health Investment Team Data for Mental Health Residential Estimated Capital Costs**

Facility Type	Minimum Estimate	Maximum Estimate	Average Total Facility Development Cost	Average Cost per Bed
Residential Treatment Home	N/A	N/A	\$652,500.00	\$130,500.00
Residential Treatment Facility	\$1,789,000.00	\$6,155,500.00	\$3,466,137.50	\$249,558.38
Secure Residential Treatment Facility	\$515,658.00	\$12,494,000.00	\$5,761,802.00	\$415,982.54

## **Residential SUD Facilities and Withdrawal Management Facilities Capital Costs**

PCG received copies of proposals, specs, and costs submitted to OHA for expanding capacity by building new facilities in Residential Substance Use Disorder and Withdrawal Management Treatment Facilities. The dataset from OHA included two records for these facilities which are categorized as Residential Substance Use Disorder and Withdrawal Management Facilities to determine cost per bed. It is essential to recognize that these numbers solely encompass capital expenses and do not encompass other costs like staffing or operations.

Based on this data, construction development costs for new residential substance use disorder and withdrawal management facilities range from \$5,000,000 to \$6,100,000 with an average cost of \$5,550,000 per facility. On a per-bed basis, this comes out to a cost range of \$174,285 to \$500,000 with an average cost of \$246,667 per bed for residential SUD and withdrawal management facilities.

**Table 51. Behavioral Health Investment Team Data for Residential SUD and Withdrawal Management Facility Estimated Capital Costs**

Facility Type	Minimum Estimate	Maximum Estimate	Average Total Development Cost	Average Cost per Bed
SUD Residential & Withdrawal Management Facility	\$5,000,000	\$6,100,000	\$5,550,000.00	\$246,667

## **RS MEANS DATA FOR COST ESTIMATIONS**

PCG used RS Means Data Online, an internet-based software package, as an additional source for determining capital construction costs for building new behavioral health facilities across the State. RS Means offers the following:

- **Construction Cost Data:** RS Means collects and compiles national construction cost data for various building types.
- **Cost Per Square Foot Estimates:** RS Means provides up-to-date cost per square foot estimates that consider design, materials, and labor costs which are specific for the building type and size.
- **City Cost Indexes:** RS Means publishes a set of city cost indexes which allow for adjustments to the base cost estimates based on local-specific factors. The system incorporates the different city options, so the cost estimates reflect a cost for each region compared to a statewide average. The cities included for the State of Oregon along with their corresponding trauma system area are as follows: Bend, Eugene, Klamath Falls, Medford, Pendleton, Portland, Salem, and Vale.

The primary factor in estimating construction costs using RS Means is the square footage required for the structure. PCG conducted an analysis of existing facilities to project the square footage needed for new construction costs. When creating the construction cost estimate for each facility type, PCG examined property listings and real estate results for three existing facilities in each category to determine their square footage. It is important to note that square footage data is not maintained by OHA, so the data utilized by PCG was limited.

PCG obtained square footage data for each facility type where available. For these facilities, we calculated the square feet per bed using the licensed bed count. Next, we averaged the square feet per bed across the sample facilities in our analysis to determine an average square footage estimate per bed for each facility type. To arrive at the square footage for the RS Means cost analysis, we multiplied this average square footage per bed for each facility by the current capacity average number of beds per facility type. It



is important to recognize that facility sizes can vary significantly due to various factors. Given the wide range of facility types and sizes, our approach provides an estimate for the size to use in each facility type.

PCG used the 2024 – Quarter 1 dataset in RS Means which is the most current and updated data set in the system.

While RS Means provides the ability to estimate capital construction costs for different regions throughout the State, there are a few limitations to the estimations that are noted below:

- One significant unknown is the exact location and cost of land for any new facility. This represents a cost that can vary tremendously and is not included in our analysis due to the extreme variation. Thus, land will be an additional cost for Oregon to consider when building these facilities.
- Secondly, RS Means does not account for the cost of anti-ligature construction in new facilities. This is an important consideration, as it represents an additional expense for the State. Anti-ligature construction is crucial for individual safety, ensuring that no parts of the facility can be used for self-harm.
- The RS Means costs are modeled on the “hospital” and “assisted senior living” setting in the software. The hospital settings are brick veneer/wood frame and are 2 stories without a basement. The assisted senior living settings are brick veneer/wood frame and are 1 story without a basement. These settings represented the most comparable facility setting to a new behavioral health facility. Given the limited selection of available building types in RS Means, these settings may include costs for equipment, labor, materials, and space that may not be relevant to behavioral health facilities. Selecting this facility type may represent additional costs, however, these may be offset by the behavioral health specific costs that are not included (i.e., anti-ligature construction, safety requirements).
- In addition to the already noted limitations, these estimates do not encompass several other crucial factors: site utilities, parking, landscaping, sales tax, and other variables. Furthermore, costs specific to additional costs resulting from additional design requirements, prevailing wage regulations, and agency project management fees are not included in these estimates.

From our analysis, capital costs for residential treatment facilities range from \$1,330,493 to \$1,582,637 with an average total cost of \$1,474,090 and cost per bed of \$147,409. For residential treatment homes, the minimum construction estimate is \$1,011,009 with a maximum estimate of \$1,197,732. This provides an average total development cost of \$1,118,194 and an average cost per bed of \$223,639. The capital costs for secure residential facilities ranges from \$4,541,818 to \$5,209,272 with an average total development cost of \$4,920,784 and an average cost per bed of \$289,458. The development costs for an SUD residential facility range from \$6,791,737 to \$7,771,059 with an average total development cost of \$7,343,864 and an average cost per bed of \$253,237. Lastly, the capital costs for withdrawal management facilities range from \$3,930,764 to \$4,511,211 with an average total development cost of \$4,262,916 and an average cost per bed of \$304,494.

Table 52 below summarizes the cost estimations for each facility type within scope.

**Table 52. RS Means Data for Estimated Capital Costs**

Facility Type	Minimum Estimate	Maximum Estimate	Average Total Development Cost	Average Cost per Bed
Residential Treatment Facility	\$1,330,493	\$1,582,637	\$1,474,090	\$147,409
Residential Treatment Home	\$1,011,009	\$1,197,732	\$1,118,194	\$223,639
Secure Residential Treatment Facility	\$4,541,818	\$5,209,272	\$4,920,784	\$289,458
SUD Residential Facility	\$6,791,737	\$7,771,059	\$7,343,864	\$253,237
Withdrawal Management Facility (Clinical & Medical)	\$3,930,764	\$4,511,211	\$4,262,916	\$304,494

## CAPITAL COST ESTIMATE COMPARISONS

PCG's analysis of the inpatient costs from our research, the Behavioral Health Investment Team capital cost data, RFI cost data, and the RS Means cost data provided four sources of estimates for our capital cost comparison. Table 53 below shows the comparison of the four data sources and the average cost per bed for each facility type across all data points.

**Table 53. Capital Cost Comparisons**

Facility Type	Inpatient Estimates per Bed (New Build)	Inpatient Estimated per Bed (Renovation)	Behavioral Health Investment Team Cost Estimates per Bed	RFI Cost Estimates per Bed	RS Means Estimates per Bed	Average Cost per Bed
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	\$1,272,520	\$214,873	N/A	N/A	N/A	\$743,697
<b>Residential Treatment Facility</b>	N/A	N/A	\$249,558	N/A	\$147,409	\$198,484
<b>Residential Treatment Home</b>	N/A	N/A	\$130,500	N/A	\$223,639	\$177,069
<b>Secure Residential Treatment Facility</b>	N/A	N/A	\$415,983	N/A	\$289,458	\$352,720
<b>SUD Residential Facility</b>	N/A	N/A	N/A	\$246,667	\$253,237	\$249,952
<b>Withdrawal Management</b> (Clinical & Medical)	N/A	N/A	N/A	\$246,667	\$304,494	\$275,580

## FORECASTED CAPACITY NEED INVESTMENT COSTS

The below table represents the average number of beds per facility type from the Licensing and Certification Data current capacity data. The cost per bed numbers below are reflected as whole numbers in this analysis. This table provides a high-level projection of the average costs associated with building new facilities based on average bed size to meet the demands of Oregonians.

**Table 54. Average Capital Cost per Facility**

Facility Type	Average Capital Cost per bed	Average Number of Beds	Average Capital Cost Per Facility
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	\$743,697	33	\$24,542,001
<b>Residential Treatment Facility</b>	\$198,484	10	\$1,984,840
<b>Residential Treatment Home</b>	\$177,069	5	\$885,345
<b>Secure Residential Treatment Facility</b>	\$352,720	17	\$5,996,240
<b>SUD Residential Facility</b>	\$249,952	29	\$7,248,608
<b>Withdrawal Management Facility</b> (Clinical & Medical)	\$275,580	14	\$3,858,120

To calculate the total projected investment costs for the capacity needs in Oregon, PCG utilized the projected capacity needs and the cost per bed derived from our above analysis. This resulted in a total projected investment cost for capital funds for each of the facility types in the analysis. In our analysis of projected capacity need, the total capacity needs for Mental Health Residential (RTF & RTH only) yielded a need of 102 beds. For the Cost Estimation, we averaged the cost per bed for RTF and RTH which yielded an average cost per bed of \$187,777.

In our analysis, we excluded projected capital investment costs for inpatient beds. Typically, these costs are covered by for-profit or non-profit entities, hospitals, or organizations looking to expand their inpatient capacity. Such endeavors often receive support from the State in the form of subsidies, tax credits, incentives, and assistance in securing funding.

Table 55 below provides the Total Projected Capital Costs for each facility type based on the capacity needed in Oregon. To increase capacity in residential facilities across residential treatment homes, residential treatment facilities, secure residential treatment facilities, SUD residential facilities, and withdrawal management facilities, the total projected capital costs are estimated to be \$835,484,858.

**Table 55. Forecasted Need and Capital Costs**

Facility Type	Projected Capacity Needed	Average Capital Cost per bed	Total Projected Capital Investment Costs
<b>Mental Health Residential (RTF &amp; RTH)</b>	102	\$187,777	\$19,153,254.00
<b>Secure Residential Treatment Facility</b>	198	\$352,720	\$69,838,560.00
<b>SUD Residential Facility</b>	2,357	\$249,952	\$589,136,864.00
<b>Withdrawal Management Facility (Clinical &amp; Medical)</b>	571	\$275,580	\$157,356,180.00
<b>Total</b>	3,228		\$835,484,858.00

PCG recognizes that this figure surpasses our initial estimate from the January 2024 Draft Report. The upward revision stems from two key reasons. First, a more recent data set and a precise assessment of existing and anticipated capacity throughout the State resulted in an elevated requirement for beds needed in Oregon. Second, at the direction of the OHA, PCG utilized CAST scores solely for the SUD residential facility and withdrawal management bed needs, which increased the total number of beds needed in the State. Furthermore, our conclusive analysis incorporates supplementary data points related to capital expenses, offering a more comprehensive perspective for evaluating the projected capital costs. It is essential to note that these forecasted costs are estimations based on the data provided, with the acknowledged limitations outlined in this report.

# CAPACITY PLANNING RECOMMENDATIONS FOR FIVE YEAR PLAN

## INTRODUCTION & METHODOLOGY

At the direction of OHA, PCG devised a five-year plan based on the analysis of State and national benchmarks used in this report. The plan identifies capacity goals for each assessed bed type within scope. Our roadmap for capacity planning outlines essential yearly milestones by bed type and trauma system area based on proportional distribution of State population defined by trauma system area. These milestones serve as the foundation for developing capacity to meet the needs of Oregonians, considering various factors.

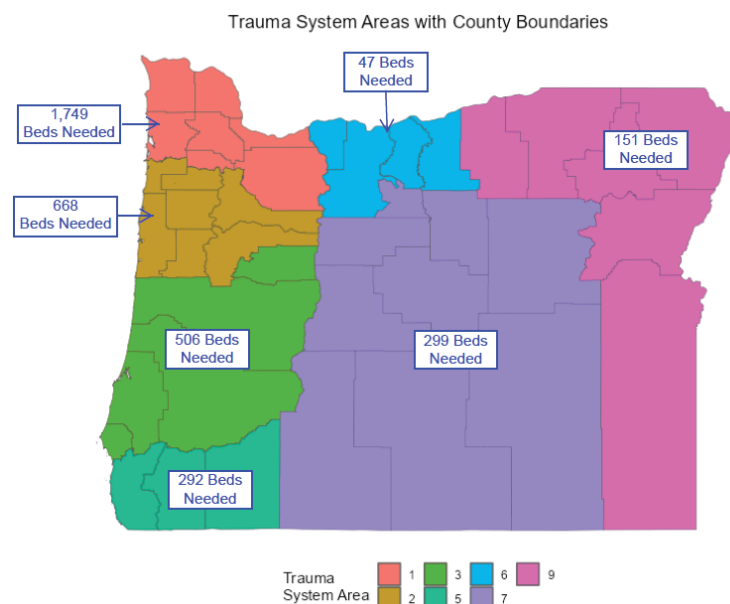
The five-year plan serves several purposes:

1. Situational Awareness: It provides an understanding of the current state and future trajectory.
2. Solution Development: It aids in formulating potential solutions.
3. Implications and Funding Strategies: It identifies implications and funding approaches for each geographical region and facility type.

The five-year plan strategically organizes capacity-building efforts between Calendar Year 25 to Calendar Year 29. This comprehensive plan serves as a guiding framework for critical decisions related to capacity expansion, shaping the trajectory of behavioral health facility capacity in Oregon. By establishing target bed capacity increases in each trauma system area, the plan aims to address gaps in the State's behavioral health infrastructure. It specifically focuses on bridging disparities in access to specific bed types across different trauma system areas.

PCG conducted intraregional analyses to ascertain the required capacity for each facility type within each trauma system area of the State. The process involved identifying the total population for each trauma system area, assessing the current and pending bed capacity across various facility types within each area, and proportionally allocating the statewide capacity need based on the trauma system area population relative to the overall State population. As a result, we determined the total capacity needed for each facility type within each trauma system area, prioritizing care continuum bed types accordingly. The map and table below illustrate the bed needed per trauma system area.

**Figure 31. Total Capacity Needed for Each Trauma System Area**



**Table 56. Total Capacity Needed for Each Trauma System Area**

Facility Type	Bed Capacity Needed for Each Trauma System Area							
	ATAB 1 (Portland / N Coast)	ATAB 2 (Mid- Willamette Valley / N Central Coast)	ATAB 3 (S Willamette Valley / S Central Coast)	ATAB 5 (Southern Oregon / S Coast)	ATAB 6 (Columbia Gorge)	ATAB 7 (Central Oregon)	ATAB 9 (Eastern Oregon)	Bed Capacity Needed Statewide
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	229	87	66	38	6	39	20	485*
<b>Mental Health Residential Facility</b> (RTF & RTH)	48	18	14	8	1	8	4	101*
<b>Secure Residential Treatment Facility</b>	93	36	27	16	3	16	8	199*
<b>Residential SUD Facility</b>	1,110	424	321	185	30	190	96	2,356*
<b>Withdrawal Management Facility</b> (Clinical & Medical)	269	103	78	45	7	46	23	571
<b>Total</b>	1,749	668	506	292	47	299	151	3712*

\*Slight variations from statewide capacity need totals are due to rounding in the calculations

To allocate the bed capacity needed for each of the trauma system areas in the five-year plan, PCG evenly distributed the total. This was chosen to allow for a manageable but effective way to increase mental health and substance use disorder facilities in the State in each of the regions. This is additionally supported by the following items:

- SUD Residential and psychiatric residential have the highest amount of bed days utilized in 2021 and 2022 per the APAC data analysis.
- Community partners consistently pointed to a need to expand both behavioral health and substance use services, and particularly the high rate of co-occurring disorders. When discussing populations of high-priority, individuals with SMI, SUD, and their health-related social needs was discussed frequently.

## TRAUMA SYSTEM AREA 1 (PORTLAND / N COAST)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 1 is below. The numbers below represent the total number of beds.

**Table 57. Five Year Plan for Increasing Capacity – Trauma System Area 1**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	46	46	46	46	45	229
<b>Mental Health Residential Facility</b> (RTF & RTH)	10	10	10	9	9	48
<b>Secure Residential Treatment Facility</b>	19	19	19	18	18	93
<b>SUD Residential Facility</b>	222	222	222	222	222	1110
<b>Withdrawal Management Facility</b> (Medical & Clinical)	54	54	54	54	53	269
<b>Total</b>	351	351	351	349	347	1749

## TRAUMA SYSTEM AREA 2 (MID-WILLAMETTE VALLEY / N CENTRAL COAST)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 2 is below. The numbers below represent the total number of beds.

**Table 58. Five Year Plan for Increasing Capacity – Trauma System Area 2**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	18	18	17	17	17	87
<b>Mental Health Residential Facility</b> (RTF & RTH)	4	4	4	3	3	18
<b>Secure Residential Treatment Facility</b>	8	7	7	7	7	36
<b>SUD Residential Facility</b>	85	85	85	85	84	424
<b>Withdrawal Management Facility</b> (Medical & Clinical)	21	21	21	20	20	103
<b>Total</b>	136	135	134	132	131	668

## TRAUMA SYSTEM AREA 3 (S WILLAMETTE VALLEY / S CENTRAL COAST)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 3 is below. The numbers below represent the total number of beds.

**Table 59. Five Year Plan for Increasing Capacity – Trauma System Area 3**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	14	13	13	13	13	66
<b>Mental Health Residential Facility</b> (RTF & RTH)	3	3	3	3	2	14
<b>Secure Residential Treatment Facility</b>	6	6	5	5	5	27
<b>SUD Residential Facility</b>	65	64	64	64	64	321
<b>Withdrawal Management Facility</b> (Medical & Clinical)	16	16	16	15	15	78
<b>Total</b>	104	102	101	100	99	506



## TRAUMA SYSTEM AREA 5 (SOUTHERN OREGON / S COAST)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 5 is below. The numbers below represent the total number of beds.

**Table 60. Five Year Plan for Increasing Capacity – Trauma System Area 5**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	8	8	8	7	7	38
<b>Mental Health Residential Facility</b> (RTF & RTH)	2	2	2	1	1	8
<b>Secure Residential Treatment Facility</b>	4	3	3	3	3	16
<b>SUD Residential Facility</b>	37	37	37	37	37	185
<b>Withdrawal Management Facility</b> (Medical & Clinical)	9	9	9	9	9	45
<b>Total</b>	60	59	59	57	57	292

## TRAUMA SYSTEM AREA 6 (COLUMBIA GORGE)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 6 is below. The numbers below represent the total number of beds.

**Table 61. Five Year Plan for Increasing Capacity – Trauma System Area 6**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	2	1	1	1	1	6
<b>Mental Health Residential Facility</b> (RTF & RTH)	1	0	0	0	0	1
<b>Secure Residential Treatment Facility</b>	1	1	1	0	0	3
<b>SUD Residential Facility</b>	6	6	6	6	6	30
<b>Withdrawal Management Facility</b> (Medical & Clinical)	2	2	1	1	1	7
<b>Total</b>	12	10	9	8	8	47

## TRAUMA SYSTEM AREA 7 (CENTRAL OREGON)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 7 is below. The numbers below represent the total number of beds.

**Table 62. Five Year Plan for Increasing Capacity – Trauma System Area 7**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	8	8	8	8	7	39
<b>Mental Health Residential Facility</b> (RTF & RTH)	2	2	2	1	1	8
<b>Secure Residential Treatment Facility</b>	4	3	3	3	3	16
<b>SUD Residential Facility</b>	38	38	38	38	38	190
<b>Withdrawal Management Facility</b> (Medical & Clinical)	10	9	9	9	9	46
<b>Total</b>	62	60	60	59	58	299

## TRAUMA SYSTEM AREA 9 (EASTERN OREGON)

Using the above methodology, the five-year plan for increasing capacity in trauma system area 9 is below. The numbers below represent the total number of beds.

**Table 63. Five Year Plan for Increasing Capacity – Trauma System Area 9**

Facility Type	CY 25	CY 26	CY 27	CY 28	CY 29	Total
<b>Inpatient Psychiatric Facility</b> (Freestanding & Unit)	4	4	4	4	4	20
<b>Mental Health Residential Facility</b> (RTF & RTH)	1	1	1	1	0	4
<b>Secure Residential Treatment Facility</b>	2	2	2	1	1	8
<b>SUD Residential Facility</b>	20	19	19	19	19	96
<b>Withdrawal Management Facility</b> (Medical & Clinical)	5	5	5	4	4	23
<b>Total</b>	32	31	31	29	28	151

## STATEWIDE PLAN

The five-year plan allocates the needed behavioral health bed capacity across each trauma system area for Calendar Year 25 to Calendar Year 29. The total capacity increase (in number of beds) for each calendar year is noted below.

**Table 64. Five Year Plan for Increasing Capacity – Statewide**

Calendar Year	CY25	CY26	CY27	CY28	CY29
<b>Bed Capacity</b>	757*	748*	745*	734*	728*

\*Includes inpatient psychiatric facility beds

While the outlined five-year plan aims to incrementally add capacity each year to support the projected bed growth outlined in this report, it is essential to recognize that creating or adding new beds or constructing new facilities may not fully resolve all access issues identified through our research and community engagement sessions. While new beds or facilities may alleviate some of the pain points accessing services at the time of need, the following items should be considered by the State to successfully implement the five-year capacity plan to the fullest extent possible:

1. **Workforce Capacity:** Ensuring sufficient workforce capacity to support the addition of new beds or facilities.
2. **Behavioral Health and Substance Abuse Services:** Availability, access, and funding for other behavioral health or substance abuse services that support individuals to remain in the community.
3. **Supportive and Transitional Housing:** Availability and access to supportive and transitional housing options.

By addressing these factors, the State can enhance the effectiveness of the capacity plan and better meet the needs of Oregonians.

## FUNDING RECOMMENDATIONS FOR FIVE YEAR PLAN

### INTRODUCTION AND METHODOLOGY

The five-year plan strategically organizes the capacity building plans over a span of five years, aligning with State funding opportunities. This comprehensive plan serves as a guiding framework for critical decisions, particularly related to funding, which will shape the trajectory of behavioral health facility capacity in Oregon. By establishing target numbers, the plan aims to address gaps in the State's behavioral health infrastructure, specifically focusing on bridging disparities in access to specific bed types across different trauma system areas. An overview of the plan is below:

1. **Capacity Building:** The plan kicks off by initiating capacity building in the areas of highest priority during the first year. These priority regions receive initial attention and resources to prioritize additional capacity in the expanding capacity in the behavioral health facilities.
2. **Yearly Progression:** Over the course of the five years, priorities are sequentially scheduled. Each year, a certain number of beds are added to different regions and trauma system areas. This gradual approach ensures steady progress and targeted improvements.
3. **Targeted Projects:** Trauma system areas with the greatest need in terms of capacity needs are prioritized for projects that commence earlier. This strategic allocation ensures that urgent requirements are addressed promptly.

The inclusion of inpatient facilities in the five-year capacity-building plan demonstrates both the demand and potential strategies for expanding capacity. However, we excluded projected capital investment costs for inpatient beds, as these are typically covered by for-profit or non-profit entities, hospitals, or organizations looking to expand their inpatient capacity. Such endeavors often receive support from the State in the form of subsidies, tax credits, incentives, and assistance in securing funding.

### FUNDING ALLOCATION

The five-year plan funding allocation uses the total number of beds from our five-year capacity plan and the average cost per bed from our analysis to determine the total estimated funds for each calendar year. As noted above, inpatient facility capacity needs were included in the five-year plan for expanding capacity across each calendar year. However, the focus for this report is residential facility needs. Therefore, the funding allocation plan utilizes the total number of beds each calendar year for mental health residential facilities (RTF, RTH, & SRTF), SUD Residential Facilities, and Withdrawal Management Facilities (Clinical & Medical). The total number of beds for the five-year plan for these facilities and their associated costs is noted below in Table 65.

**Table 65. Projected Five-Year Plan Funding Allocation**

Calendar Year	CY 25	CY 26	CY 27	CY 28	CY 29
<b>Capacity Total</b>	657**	650**	648**	638**	634**
<b>Funding Total</b>	\$170,308,595	\$168,287,174	\$167,658,873	\$165,022,865	\$164,121,780

\*\*Does NOT include inpatient psychiatric facility beds. These numbers solely reflect residential beds.

### QUICK WINS

PCG understands that Oregon is prioritizing increasing its facility capacity to serve individuals across the State seeking behavioral health services. With the five-year plan created, Oregon has a roadmap to guide decisions to increase mental health residential, SUD residential, and withdrawal management facilities. Though the plan is for five years, there are several “quick wins” from this plan which are noted below:

- In the first year (Calendar Year 25), the plan details adding 657 residential facility beds across the State of Oregon.

- In the first year (Calendar Year 25), 67 of those 657 residential facility beds will benefit those seeking mental health residential services in RTFs, RTHs, and SRTFs.
- In the first year (Calendar Year 25), 590 of the 657 residential facility beds will serve those seeking SUD residential or withdrawal management services.
- Additionally, those 657 beds are distributed appropriately across the State to serve Oregonians in **every** trauma system area in the State.
- The first year (Calendar Year 25) includes additional capacity for mental health residential facilities (RTFs, RTHs, SRTFs,), SUD residential facilities, and withdrawal management facilities in every trauma system area in Oregon which will allow individuals in every region of the State to see additional capacity built across the behavioral health services.
- The five-year plan also allocates mental health residential and SUD residential capacity in every calendar year so capacity in each area is expanding for the individuals in Oregon who are seeking these needed services.

## IMPORTANT CONSIDERATIONS

We acknowledge that in considering the distribution of funding, any allocation towards building new residential facilities must correspond with aggressive and highly coordinated efforts to address workforce development and capacity issues in already existing facilities, and strengthen community-based, crisis, housing, and outpatient services. Our engagement with community partners, particularly those with lived experience, underscores that it is imperative to prioritize the adaptability of facilities to meet the diverse needs of all Oregonians. This involves a thoughtful consideration of individuals with co-occurring disorders, the increasing acuity of those seeking behavioral health and substance use services, and the expansion of culturally specific services. Although the scope of this analysis is limited to the distribution of capital funding for new residential facilities, all such workstreams must be coordinated to effectively expand behavioral health care across the State.

Additionally, a holistic approach to the behavioral health continuum in Oregon is crucial. While expanding residential facility capacity is vital, it's just one facet of a broader system. Community partners emphasize the significance of strengthening community-based support and health-related social needs, particularly in housing. This approach can pave the way for robust community-based paths to care, reduce acuity among individuals seeking services, and shorten their length of stay. When contemplating expansion of residential capacity, it's imperative to recognize that strengthening other components of the behavioral health continuum can mitigate the need for increased capacity.

## RECOMMENDATIONS

Evaluating the entire behavioral health care continuum is a complex process that requires a comprehensive understanding of the various factors that contribute to the delivery of effective care. This report analyzes a portion of the facilities within the behavioral health continuum in Oregon and our recommendations are based on the data collected and analyzed as part of this Study, coupled with feedback and input from community partners.

### CARE MODEL AND STRATEGY

Currently, Oregon has several pieces in place that make up the behavioral health care continuum; however, the succinctness and interchangeability of the different levels of care required for individuals, especially people with complex needs, causes difficulty moving throughout the system. Geographically, some areas are devoid of services and facilities, thus requiring people to travel great distances outside their home communities to receive the appropriate mental health and substance use treatment, thus overloading facilities and resources in another region to care for an increased number of individuals. Further straining the system is the lack of available resources to provide care and treatment, current workforce challenges, a general lack of capacity in areas throughout the care continuum, and transparent pathways for individuals seeking the most integrated care in the next level of care down in the continuum.

PCG would recommend developing a care model and strategy similar to a [Hub and Spoke Model<sup>xliiv</sup>](#) to care for individuals within a geographic region and supporting the majority of needs based in a geographic region. Further, creating a strategy which stabilizes existing infrastructure, invests in new capacity, enhances coordinated care, invests in new technology, develops current models of care and facilities, and explores new models, including creating pathways to stepdown services is imperative to meet the needs of Oregonians. There must be a focus on the infrastructure and needs of Intensive Services, Community Based Care, Outpatient Treatment Services and Crisis Services, including capacity, workforce, and funding, and a well laid out strategy driven by thoughtful leaders positioned to create change and enhance treatment service delivery. Also, as emphasized by our community partners, customizing care models to suit the unique needs of rural and urban areas is crucial, and implementing a regional approach would effectively address this priority.

### WORKFORCE DEVELOPMENT

To expand the capacity of behavioral health services in Oregon, it is essential to prioritize workforce investments. Most of the current facilities are understaffed and building more facilities could exacerbate the workforce challenges faced by existing facilities. Additionally, there is a need for culturally specific providers to offer culturally and linguistically appropriate care for the diverse and Indigenous populations in Oregon. There should be a continued focus on building a diverse, well-trained, and skilled workforce that can meet the needs of the communities across Oregon, both in rural and urban settings with State funding or programs. Workforce development should be prioritized so that every facility can operate effectively and efficiently with the appropriate level of staff to serve Oregonians who are seeking behavioral health services.

### ADDITIONAL FACILITIES

Additional beds and facilities are needed to expand the infrastructure within mental health and SUD to meet the demand. Based on the current facility capacity in Oregon, if the decision is made to build new facilities, Oregon can expand capacity in the following areas and facility categories:

- Expand Mental Health Residential Treatment for those with medical comorbidities
- Expand Mental Health Residential Treatment Home and Secure Residential Treatment Facility capacity to enhance access especially for those with co-occurring diagnosis, forensic and elderly populations.
- Expand capacity for Substance Use Disorder Residential Treatment in general and populations with co-occurring diagnosis.
- Expand capacity for Withdrawal Management facilities

- Support additional inpatient psychiatric beds by working with non-profit and for-profit entities to develop capacity to optimal levels of care to meet the demand based on regional needs, policies and the State of Oregon rule structure.
- Develop Crisis Center Models, Strategies and Rules to implement within the State mirroring the RI International report recommendations, national and/or federal guidelines to support 24-hour crisis care for mental health and substance abuse.

If the decision is made to build more behavioral health facilities in Oregon, there should be adequate workforce investments and capital/start-up costs included to account for the human capital and operational costs to fund a new facility thoroughly.

## AWARENESS, EDUCATION AND ENGAGEMENT

Developing awareness, education and interactive engagement opportunities with community partners surrounding mental health and SUD services, access, treatment options, opportunities, legislative updates, statistics, and funding will impact all levels of the continuum to create transparency and understanding. Some ways to accomplish this are noted below:

- Develop websites with easy to access information, treatment options, resources, contact information, and statistics for consumers and families.
- Create streamlined websites and links for providers and facilities to have a “one stop shop” experience for all things related to their work.
- Create public education awareness regarding treatment, what the State is doing to improve the care continuum, where funding is going, State-level behavioral health strategies, and five-year plans.

## AREAS FOR FURTHER ANALYSIS

PCG understands there are a multitude of factors and considerations when identifying recommendations to expand behavioral health capacity in Oregon. There are many pieces of information that are outside of scope for our current report, but that should be further explored and reviewed to provide a more holistic representation of the behavioral health landscape in the State. These considerations are noted below:

- **Youth Population:** Our study currently focuses on the adult population. A similar analysis of current capacity and capacity needs for the child and youth population would provide beneficial information when considering funding priorities, capacities, and gaps in the care continuum for youth in Oregon.
- **Geriatric Population:** While the data does not account for different types of needs within adult residential treatment beds, the State of Oregon would benefit from completing an additional study focusing on geriatric mental health treatment and continuum of care and services, further defining if there is a need for increasing services and funding for this specialized population. During our community engagement sessions, the geriatric population with behavioral and medical needs was identified as a challenge in finding the appropriate community, residential or hospital facility to deliver care to this population. In addition, it is noted that through our analysis, Geriatric Psych Units are very limited.
- **Complex Needs:** An additional analysis and study of the services and capacity of behavioral health facilities to adequately care for those with complex, co-occurring behavioral, substance use, and medical needs would be a critical component in further analyzing the continuum of care. It was noted during Community Engagement how challenging it can be for people to find beds when they have both physical health and behavioral health needs.
- **Forensic Population:** Analysis of the current forensic population in relationship to mental health and substance abuse treatment and care needs while in State facilities, within the judicial system, community, residential or outpatient settings would be warranted. This population often suffer from a multitude of severe psychiatric, substance use and social problems and the interventions or



treatment to effectively care for these individuals is scarce, therefore creating gaps within the care continuum for this population. Analysis of the current forensic population in relationship to mental health and substance abuse treatment and care needs while in State facilities, within the judicial system, community, residential or outpatient settings would be warranted. This population often suffer from a multitude of severe psychiatric, substance use and social problems and the interventions or treatment to effectively care for these individuals is scarce, therefore creating gaps within the care continuum for this population.

- **Staffing and Workforce:** A thorough analysis of the staffing challenges and workforce development barriers to providing services at behavioral health facilities could offer important insights into the feasibility of new facility construction. We also recommend that Oregon explores options for State-funded workforce retention strategies.
- **Crisis Facilities:** A further thorough review of the crisis facilities and services in coordination with OHA as they develop the administrative rules for crisis stabilization centers would provide valuable information on the entire continuum of care and where additional supports are needed. Crisis Stabilization facilities can provide diversions from other levels of care and be a valuable resource in Oregon. Once the administrative rules are determined, the capacity for these services and facilities can be analyzed more effectively.
- **Quality of Care:** Quality of care was mentioned throughout Community Engagement as an area that could be further explored. Understanding the type of care being provided at the facilities is crucial, as well as understanding the culturally appropriate care available and the areas for expansion. Evaluation of quality care metrics within the State as well as dashboards to analyze the quality of care and associated costs to increase transparency.
- **Housing and Outpatient Programs:** Housing and outpatient programs were mentioned throughout our community engagement sessions as a significant need in Oregon. It was noted during our conversations that facilities often face discharge challenges and therefore provide services to individuals who no longer require a residential setting. With more housing options, facilities could discharge individuals to appropriate levels of care more efficiently which would then allow the residential facility to be able to serve more individuals.
- **Analysis by Insurance Type:** A further review of behavioral health services by insurance type could be beneficial as the State considers how individuals are served in each facility setting.
- **Operating Costs:** An analysis on the operating costs for the facility types included in this report would be valuable information as the State considers the feasibility of expanding behavioral health services.
- **Evaluation of Public Messaging:** A review of public-facing documents, messaging, websites, and policies could provide clarification around OHA policies, rules, requirements, etc.
- **Advisory Committee:** OHA should consider an advisory council to oversee and provide strategic guidance on the evaluation and assessment of behavioral health and substance use services in the State.

We acknowledge that in considering the distribution of funding, any allocation towards building new residential facilities must correspond with aggressive and highly coordinated efforts to address workforce development and capacity issues in already existing facilities, and strengthen community-based, crisis, and outpatient services. Our engagement with community partners, particularly those with lived experience, underscores that it is imperative to prioritize the adaptability of facilities to meet the diverse needs of all Oregonians. This involves a thoughtful consideration of individuals with co-occurring disorders, the increasing acuity of those seeking behavioral health and substance use services, and the expansion of culturally specific services. Although the scope of this analysis is limited to the distribution of capital funding for new residential facilities, all such workstreams must be coordinated to effectively expand behavioral health care across the State.

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2025 - 2027

# GOVERNOR'S BUDGET

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STATE OF OREGON



Governor Tina Kotek

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## **BUILDING ON PROGRESS**

### **Oregon Priorities in the 2025-27 Governor's Budget**

#### **Letter from the Governor:**

Dear Fellow Oregonians,

Since my first day in office as your Governor, I have focused on bold, urgent action on issues of top concern for Oregonians: housing and homelessness, behavioral health, and education. My 2025–2027 recommended budget is a direct reflection of my continued and steadfast commitment to making progress on Oregonians' priorities.

Over the last two years I have had the opportunity to travel to all 36 counties and visit Oregon's nine federally recognized Tribal nations. These experiences have helped inform my approach to policy and budget decisions and strengthened my ability to be a Governor for the whole state.



I will always take on our greatest challenges and show results for Oregonians – from our urban and suburban areas to our rural and frontier communities.

These challenges, by their very nature, cannot be solved overnight. Progress requires persistence. As I approach the halfway mark of my administration and take stock of where we have been and where we are going, I passionately believe the Oregon Legislature needs to pass budgets for the next two years that build on the progress we have achieved together.

#### **AN OREGON WHERE NO ONE HAS TO SLEEP OUTSIDE**

By the end of the current biennium, July 1, 2025, my homelessness initiative is projected to rehouse and shelter thousands of Oregonians, while preventing thousands more from becoming homeless in the first place. If we continue at this pace, the equivalent of nearly one in three Oregonians experiencing homelessness on my first day in office (2023 PIT) will be rehoused by the end of my first term. To get there, I am calling on elected and community leaders to stay the course through continued resources and an ongoing focus on solving our homelessness crisis.

We do not have the luxury of advancing only one solution at a time – we must put just as much fortitude behind increasing Oregon's housing supply. As we assist families from the streets to housing stability, we must ensure more permanent, affordable housing options in their own communities. We must also do more to help working class Oregonians have the opportunity to become homeowners no matter their zip code.



My 2025-2027 budget stands firm in addressing our homelessness and housing crises concurrently. Continued investments in shelter, rehousing and prevention, as well as funding to build additional affordable homes, cutting red tape so housing projects can break ground faster, and support for first-time homebuyers are imperative to our steady progress.

#### **AN OREGON WHERE HEALTH CARE IS THERE WHEN YOU NEED IT**

When I first took office, I asked two simple questions: how many behavioral health treatment beds does Oregon have, and how many do we need by region? Within my first 60 days in office I directed the Oregon Health Authority to commission a study to answer those questions. Today, we have a clearer understanding of what it will take to meet the tremendous need for behavioral health services in every part of the state, and this information should guide our investments.

Earlier this year, the state identified a target of adding 465 new treatment beds by the end of 2026, accompanied by a dashboard so the public can track our progress. My 2025-2027 budget seeks to grow that number for adult and youth treatment capacity. Increased treatment capacity must be paired with the workforce necessary to provide the care Oregonians need.

To strengthen the behavioral health workforce, I have focused on eliminating the backlog at Oregon's health licensing boards so qualified workers are able to get the documentation they need in a timely manner to get to work. Looking forward, my team has developed a workforce strategy that will work in tandem with our treatment capacity needs.

#### **AN OREGON WHERE THE PROMISE OF EVERY CHILD IS REALIZED**

What happens in classrooms across Oregon is critical to the success of our children and to the future of our state. My education initiative has retooled the way that school districts teach our youngest students how to read through incentivizing evidence-based practices, updated Current Service Level funding for the State School Fund to make the state a more predictable funder of school districts,

mitigated disruption to learning through summer learning investments, and more.

To reap the benefits of this progress, we need to stay the course and build on our commitment to public education. My recommended budget builds on these initiatives and expands on support outside of the classroom, too, in recognition that a good education is just one ingredient to the success of our children and youth. Access to behavioral health services, stable housing, and improvements to Oregon's child welfare system are equally imperative to seeding the future we want for our children.

My budget dedicates investments to bolster youth treatment capacity aimed at decreasing the state's reliance on temporary lodging for children in state care, builds out substance use disorder and suicide prevention programming, and continues and deepens resources to stabilize youth at risk of homelessness.

As Governor, I will always listen to Oregonians first and work to ensure my policy and budget decisions reflect an Oregon that welcomes everyone and is accountable to our shared values.

Sincerely,

Governor Tina Kotek



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## ECONOMIC AND REVENUE OUTLOOK FOR 2025-27

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The national economy appears on course to experience a post-pandemic “soft landing” (i.e. economic normalization that avoids lapsing into recession). As a result, the State of Oregon similarly faces improving economic prospects heading into the 2025-27 biennium. Recession risks have diminished appreciably as moderating price pressures have given policy makers the opportunity to begin lowering interest rates.

In the modern era, it has been extremely unusual for policy makers to successfully reduce elevated inflation through restrictive monetary policy while not overtightening financial conditions and ultimately driving the economy into recession. However, the consensus among professional forecasters is increasingly convinced that just such an outcome is at hand. They anticipate both growth and inflation near two percent in 2025.

In recent years, Oregon economic activity has demonstrated a tighter correlation with the national economy, as measured by variables such as production or unemployment. This coordination is attributable to a multitude of factors of varying permanence. Powerful developments at the national level during the pandemic, such as lockdowns, aggressive use of fiscal and monetary stimulus and the resulting inflationary surge, have dominated weaker regional or local trends, thereby aligning economic activity among states. While extraordinarily powerful, these factors are temporary in nature and already diminishing.

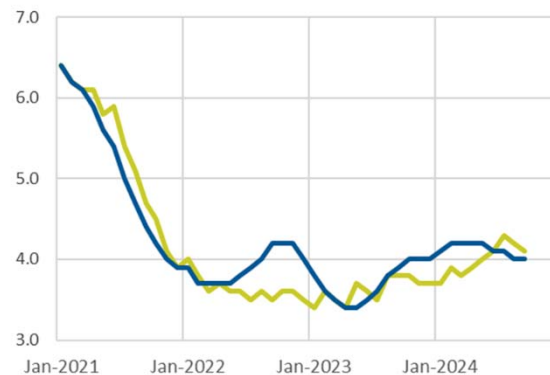
In contrast, an increasingly diversified Oregon economy has become less vulnerable to fluctuations in historically dominant industries such as timber and agriculture. This has resulted in a tighter coupling with the national economic outlook and less idiosyncratic behavior tied to factors such as timber prices. Evidence of this tighter linkage to national trends was evident prior to the pandemic. Even so, there can still arise meaningful deviations from national patterns, and these will tend to reemerge as pandemic era policies fade.

The regional inflation dynamics in the West do not look materially different from the national trend. The pace of inflation has slowed considerably over the past two years, but lingering price pressures remain concentrated in housing and other labor-sensitive services, such as childcare, healthcare, education and other professional services. All of the aforementioned categories are acutely sensitive to labor costs—which have moderated but remain elevated. A full normalization of inflation to policymakers’ target (of two percent) will largely rely on further cooling of wage pressures.

The state-level employment statistics have shown comparatively greater deviation from national patterns. Since early 2020, the Oregon unemployment rate generally ran above the national rate; but more recently, as national unemployment drifted higher, Oregon's rate declined. Other signals of labor market health are evident in jobless benefits claimants, labor force engagement and manufacturing hours worked. The number of Oregonians claiming unemployment insurance benefits is stable and the share of claimants exhausting those benefits appears to have leveled out near typical mid-to-late cycle norms and may even be incrementally declining. Meanwhile, labor force engagement—as measured by labor force participation or the employment-to-population ratio—is not only at or near cyclical highs, but also showing impressive performance over multiple economic cycles. (Oregon labor force participation is the highest since 2012.) The breadth of job gains has been uneven over the past year, concentrated mainly in health services, private education and government. However, a recovery in hours worked in the manufacturing sector year-to-date bears watching as a potential harbinger of increasing demand for factory-sector labor. More broadly, Oregon wage growth appears to be stabilizing at healthy levels relative to inflation, consistent with a rebalancing, not a retrenchment in the labor market.

### Oregon and U.S. Unemployment Rate

Monthly, Seasonally Adjusted



Source: Oregon Employment Department

### 2025-27 Economic Outlook and Risks

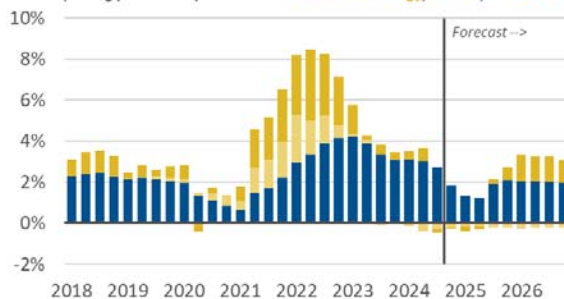
The latest Consumer Price Index (CPI) statistics reveal that victory over inflation remains incomplete, which means the upcoming biennium will continue to be haunted by persistent, elevated price pressures. This is not only problematic to the economic outlook, but also a challenge for the Office of Economic Analysis' (OEA) modeling of state revenue trends, as higher inflation boosts nominal activity.

Many of the sources of the post-covid inflation flare-up appear poised to be present, or reemerge in slightly different forms, during the next presidential term. The major factors from the prior episode included fiscal stimulus, supply chain stress, labor market pressures and insufficiently restrictive interest rates. Major policy priorities of the next

presidential administration will critically impact these same themes, including immigration restrictions, fiscal policy and tax reforms, more aggressive use of tariffs and continued lowering of interest rates. The progress toward two percent inflation, as measured by the core consumer prices index, appears to have stalled closer to 3.3 percent since mid-year. This is not to say that further progress will not be achieved. However, it may be supportive evidence of the "last mile hypothesis", which suggests that the final approach to two percent inflation will require greater exertion relative to earlier periods.

### West Region Consumer Price Index

Decomposing year-over-year inflation: Food and Energy, Goods, and Services



Goods and services are excluding food and energy | Latest: 2024q3 | Source: BLS, IHS Markit, OR Office of Econ Analysis

Beyond inflation risks, the State of Oregon may be particularly vulnerable to some of the coming economic crosswinds in the next presidential term. Trade policy is likely to be specifically oriented toward Pacific trading partners (impacting western states to a larger degree); and it is poised to be focused on the semiconductor/tech sectors, which are vital pillars of Oregon economic activity. Meanwhile, based on recent history, retaliatory measures from major trading partners have tended to be particularly punitive toward domestic agriculture, timber and manufacturing—all of which are core industries of the state. Evidence from the escalation of tariffs prior to the pandemic showed Oregon being impacted more severely than the nation overall. For example, as trade tensions increased in 2017-18, Oregon statistics on production and unemployment both deteriorated relative to national trends.

Fiscal policy will also be a significant source of risk to the baseline economic forecast, albeit one which is difficult to quantify until the broad parameters of a federal fiscal plan emerge. The incoming administration has expressed a prioritization of quick passage of cuts to both corporate and personal income taxes, and it has also signaled that the State and Local Tax (SALT) deduction cap could be altered. More broadly, looser fiscal policy relative to current law raises the risk of elevated interest rates (perhaps persistently) due to both supply/demand dynamics in the debt markets as well as through firmer growth and inflation channels. Among many interest-sensitive sectors, higher rates would be particularly harmful toward housing and residential construction—sectors which have been persistently weak in recent years.

While inflation risks are a prominent feature of the medium-term outlook, not all news is unfavorable. Worker productivity (defined as output per hour worked) has rebounded sharply in recent quarters. A recurring post-pandemic theme has been economic constraints, such as labor shortages or commodity scarcity. A sustained increase in productivity could alleviate labor cost pressures (defined as output per hour worked), as rising productivity enables the existing workforce to accomplish higher levels of output, all else equal. While artificial intelligence may be among factors lifting productivity, there is a much broader increase in capital investment underway. Historically, high pressure economic periods that also coincided with increased capital investment have resulted in sustained productivity rebounds. This will be a critical trend to monitor over the medium term.

## Oregon's Uneven Rebound

Following the pandemic, economic recovery for Oregon has varied both regionally and from historical patterns. The Portland region has lagged smaller metro areas and rural economies. In prior cycles, the Portland Metro would have been expected to recover faster than the rest of the state with its more diversified economy—as it did during the Great Recession—however, the inverse holds presently.

As of September 2024, the Portland region has yet to fully recover from the pandemic with an employment level nearly two percent below what was reported for February 2020 (1,062,000). This is only for the counties that are in Oregon and included in the Portland MSA but not in Washington (Skamania and Clark counties).

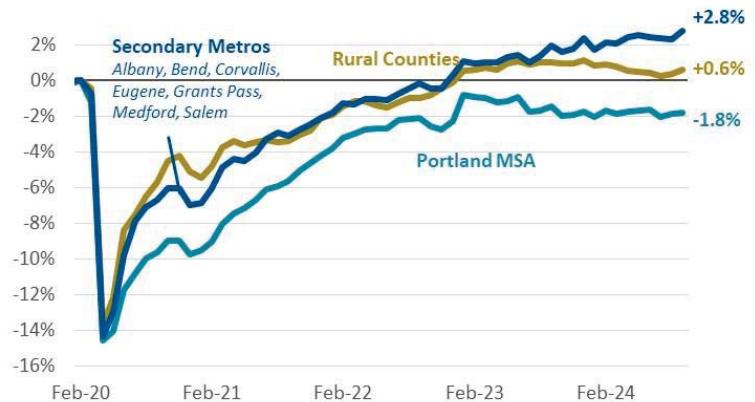
The impact of working from home and loss of business travel during the pandemic has undoubtedly impacted big cities such as Portland, with its effects still evident in sectors such as commercial real estate. Population loss has also negatively impacted the region as workers are now able to live farther afield. Recent survey data show Oregon to rank second nationally in terms of the share of the labor force working remotely.

Overall, Oregon has recovered from the pandemic in terms of employment. However, the state's recovery in employment has not been equally distributed. Some sectors have experienced job gains beyond pre-pandemic levels, and some have yet to fully recover. Over half of the major sectors—private education and health services, government, professional and business services, information, other services, mining, logging and construction, and trade, transportation, and utilities—are above their pre-pandemic level in February 2020. The others—leisure and hospitality, manufacturing, and financial activities—have yet to reach these levels.

In the event of a mild recession, which is a downside risk scenario relative to the OEA baseline, would be likely to weigh on the state's metro areas differently. Urban areas, with their larger share of jobs in sectors such as construction and manufacturing, are more

### Oregon Employment: Urban and Rural

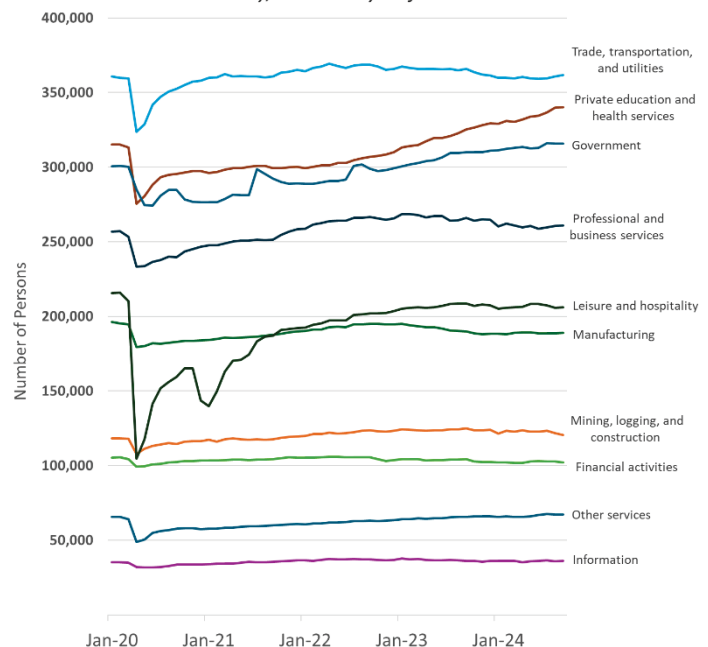
Percent change from February 2020



Latest Data: September 2024 | Source: Oregon Employment Dept, Oregon Office of Economic Analysis

### Oregon Employment by Industry

Monthly, Seasonally Adjusted



Latest Data: Sept '24 | Source: Oregon Employment Department

cyclically sensitive to economic downturns than their rural counterparts, which have higher concentrations of workers in more stable sectors like healthcare.

### Housing and Homelessness

Oregon's housing market continues to grapple with supply shortages and affordability challenges. In 2023, around 18,000 new housing units were added—slightly fewer than the 20,000 that were added in 2022. Housing starts have been sluggish, particularly for multifamily units, but are forecasted to increase significantly over the next five years, as indicated by projected housing starts expecting to reach around 20,000–25,000 units annually by 2030.

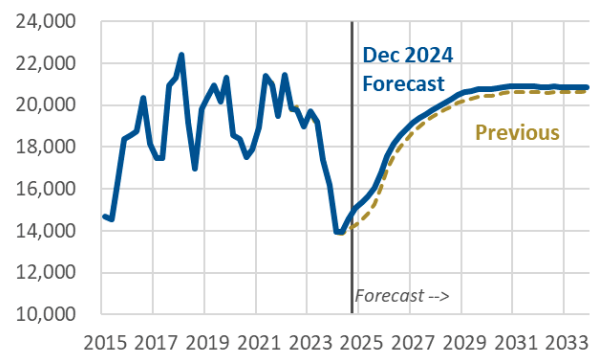
Home sales have slowed compared to the frenzied pace during and immediately following the pandemic. In terms of both activity and pricing, the market has cooled in recent quarters. Rental prices have now stabilized after a sharp increase beginning in 2020, although the price-to-rent ratio has been climbing, indicating a rise in mortgage payments relative to rental costs in Oregon metros.

Affordability for prospective homeowners remains a concern. While the ability of local households to afford median-priced homes had been declining, this trend has started to level off since 2022, suggesting stabilization. However, high demand and limited supply keep pressure on prices, especially for lower-income households, intensifying the need for affordable housing investment.

Without a substantial increase in both market-rate and affordable housing, these affordability and availability challenges will persist. Oregon's housing sector will need a combination of robust new construction and supportive policies to meet projected demand and reduce long-term economic risks tied to housing.

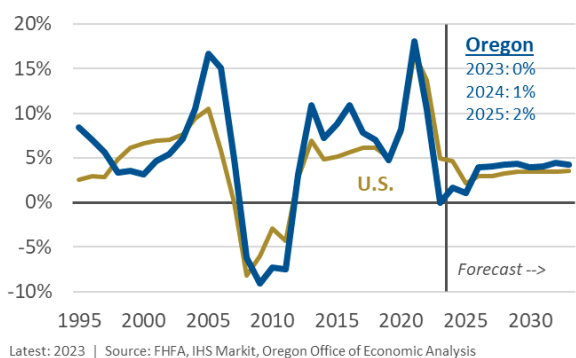
### Oregon Housing Starts

Quarterly data at annualized rates



### Home Prices Stall Due to Affordability

Annual Percent Change, FHFA Repeat Sales Index



Latest: 2023 | Source: FHFA, IHS Markit, Oregon Office of Economic Analysis



### Oregon Metro Price to Rent Ratio

Ratio of monthly mortgage payment to single family rent

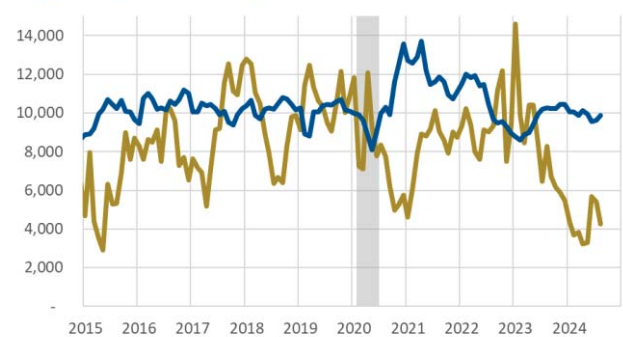


Source: Various realtor associations and MLSs, Zillow, Oregon Office of Econ Analysis

Oregon has an elevated rate of homelessness relative to the national average, with about 48 out of every 10,000 residents affected as of January 2023. From 2020 to 2022, Oregon saw an increase of about 3,000 residents experiencing homelessness, the 4<sup>th</sup> largest increase in the U.S. during that time frame. Oregon also saw an increase in housing loss due to climate events, including extreme wildfires across the state, floods in coastal areas, and heavy snowstorms in the eastern region. Resulting efforts to expand emergency shelters and supportive housing underscore an ongoing need for strategic focus.

### Oregon New Construction

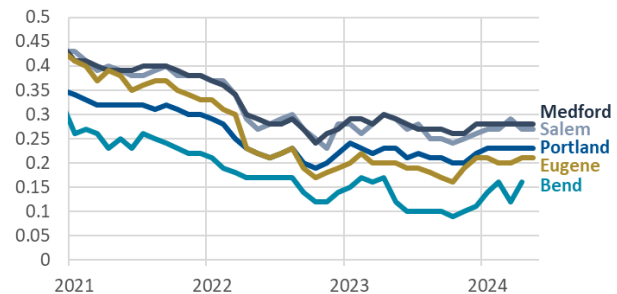
Single Family and Multifamily housing starts at annualized rates



Latest Data: Aug 2024 | Source: Census, Oregon Office of Economic Analysis

### Oregon Homeownership Affordability

Share of local households that can afford median sold home with 5% down payment and total housing costs not exceeding 30% of income

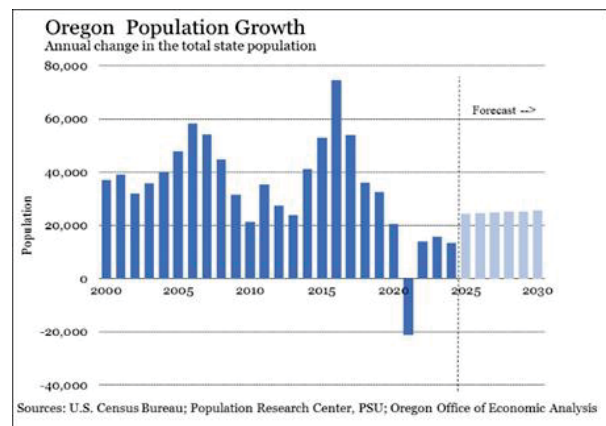


Source: Various realtor associations and MLSs, Oregon Office of Economic Analysis

### Population Growth

Population growth is the primary reason Oregon's economy outpaced the typical state over time. The influx of mostly younger workers with higher levels of educational attainment provides Oregon businesses with an ample supply of labor to hire and expand.

Typically, migration is a demographic and economic tailwind for Oregon. However, following the pandemic, Oregon lost population for the first time in nearly 40 years and has not rebounded as expected. Some of this lack of a rebound associated with slowing in-migration could still be pandemic-related, or due to increased working from home or perceived quality of life, housing affordability or the like.



Sources: U.S. Census Bureau; Population Research Center, PSU; Oregon Office of Economic Analysis

For the first time in recorded history, the number of deaths in Oregon now outnumber births. Therefore, the only way Oregon's population will grow is through positive net migration.

The outlook still calls for a modest rebound in migration in the upcoming 2025-27 biennium. The local economy is resilient, and job opportunities are plentiful relative to the previous economic cycle. However, to the extent migration does not pick up, or does not pick up as much as expected, it represents downside risks to the economic and revenue outlook.

### Demographic Change

Oregon's resident population count on April 1, 2020, was 4,237,256. During the past decade, Oregon gained 406,182 residents or 10.6 percent (enough to yield one additional congressional seat for the state). Oregon's population growth between 2010 and 2020 censuses was 12<sup>th</sup> highest among all the states and D.C. Still, all of our neighboring states, except California, grew faster than Oregon. In historical context, Oregon's population growth between the 2010 and 2020 censuses was the second lowest, 1980-90 decade being the lowest, since the first census count in Oregon in 1860.

Oregon's population was showing impressive growth during the last decade until the COVID-19 pandemic hit. Oregon's annual population growth rate has been slowing down since the high of 1.9 percent in 2016. As estimated by the Population Research Center, Portland State University. Oregon lost population in 2021. It has rebounded since then. Based on the current forecast, Oregon's population of 4.3 million in 2024 will reach 4.4 million in the year 2030 with an average annual rate of growth of 0.6 percent. Oregon's population growth changes with its economic and employment outlook.

### Geographic Variations

Population growth by county reflects the local economic environment and demographic characteristics of the residents. The figure below shows a decade of county population change between 2013 and 2023. Census Bureau's estimates show Oregon's population grew 7.9 percent during this period. However, there are large variations by region and county. Crook, Deschutes and Jefferson counties in the Central Oregon and Polk County in the Willamette Valley experienced exceptionally high growth exceeding 15 percent.

Population Growth By County, 2013-2023 Estimates



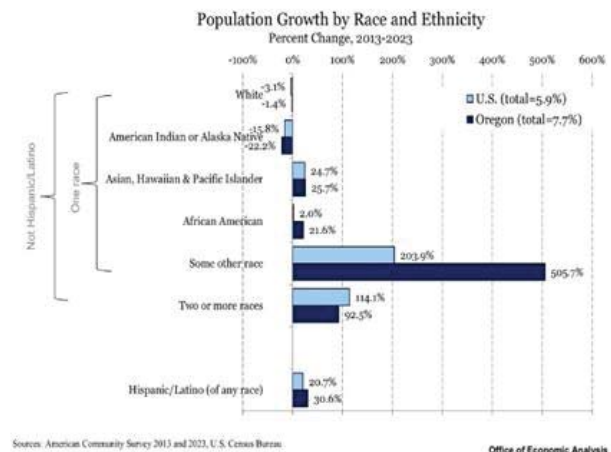
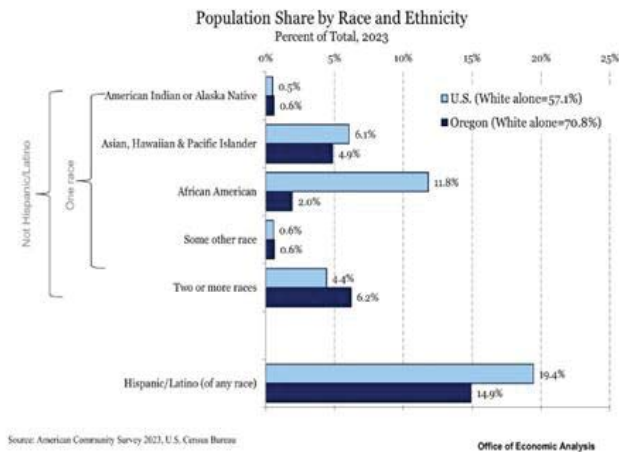
The moderate growth counties (between 10 and 15 percent increase) were Clatsop, Sherman, Linn, Wallowa, and Benton. The counties with very slow growth (between zero and five percent) were Union, Wheeler, Coos, Multnomah, Umatilla, Harney, Wasco, Gilliam, Malheur, Hood River, Curry, and Baker. Grant county was the only one losing population.

## Racial And Ethnic Composition

Oregon has become more racially and ethnically diverse. An estimated 70.8 percent of Oregon's population, compared to 57.1 percent nationally, was in the Not-Hispanic white alone racial group in 2023 as reported by the Census Bureau's American Community Survey. Share of minority population (other than Not-Hispanic white) was 29.2 percent in Oregon compared to 42.9 percent nationally.

The non-Hispanic white population has declined in Oregon and nationally over the last decade. The overall growth rate for the minority racial and ethnic groups was faster in Oregon than for the United States. The unusual growth in some other race and two or more race groups show the tendency to embrace diverse heritage and not willing to bind by the tradition single race.

Oregon's Hispanic population has grown rapidly. The Hispanic or Latino ethnic group increased from 112,707 in 1990 to an estimate of 631,563 in 2023 accounting for 14.9 percent of the population.



## Change in Age Structure

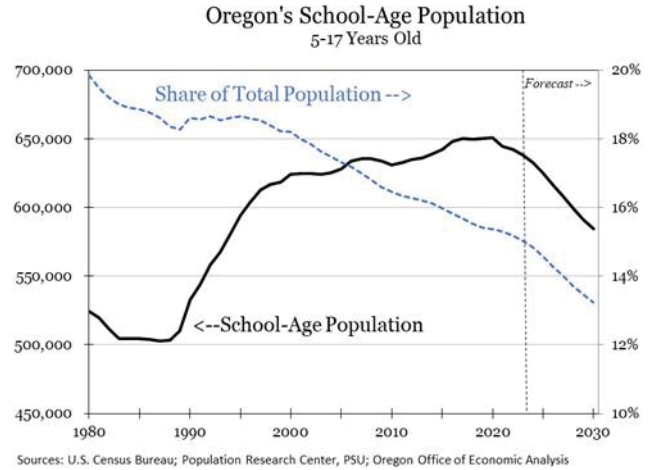
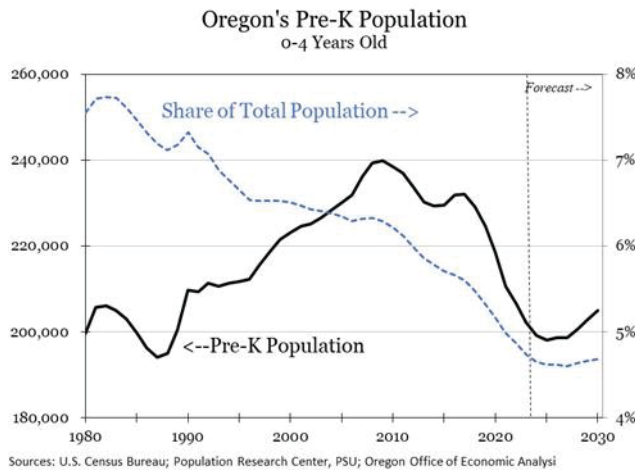
The figures on the following page show that population growth differs by age group with budgetary implications.

### CHILDREN

- Under five years. The size of this age group affects demand for childcare, Head Start, and Temporary Assistance for Needy Families (TANF). Between 2025 and 2027, the number of children under age five will increase by 0.2 percent.
- School age. The children in the five to 17 year age group drive demand for K-12 public school enrollment. This population will have a steady declining trend. Between 2025 and 2027, the number of school-age children is expected to decline by 2.7 percent. The share of school-age children in the

total population declined from 19.9 percent in 1980 to 15 percent in 2023.

- Youth Authority Population. The youth close custody population is mostly comprised of youths aged 12-17 years of age. This population is expected to decline by 1.3 percent over the 2025-27 timeframe.

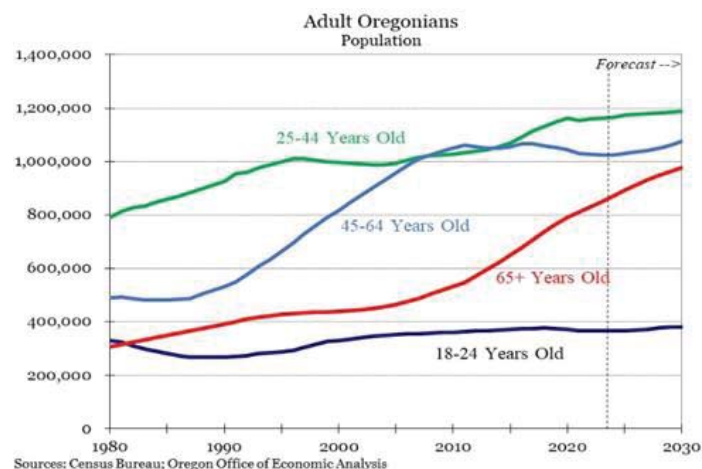


## ADULTS

- Ages 18 to 24. This age group drives demand for post-secondary education and entry-level jobs. College enrollment, however, is also associated with other competing opportunities. Males in this age group are the population at risk of criminality with the highest arrest rate of all adults. Consequently, population in this age group is a major factor in forecasting demand for prison and jail beds and probation services. Between 2025 and 2027, this population will see a change of 1.7 percent.
- Ages 25 to 64. Working-age adults comprise nearly 52 percent of the total population. The nature of this group is heavily influenced by baby-boomers and their children. The working-age population is the major contributor to the state's tax revenue and puts very little direct pressure on state services. However, younger adults need entry-level jobs, and older adults require continued training in a changing technological environment. All need affordable housing, and young adults at the beginning stage of their family formation need childcare and safe and quality schools for their young children. Overall, this population group will grow by 1.0 percent between 2025 and 2027.
- Corrections Population. The adult male population aged 15-39, called the criminally 'at risk' population, will continue to increase at a moderate rate. The cohort is expected to increase 0.8 percent over the 2025-2027 period.

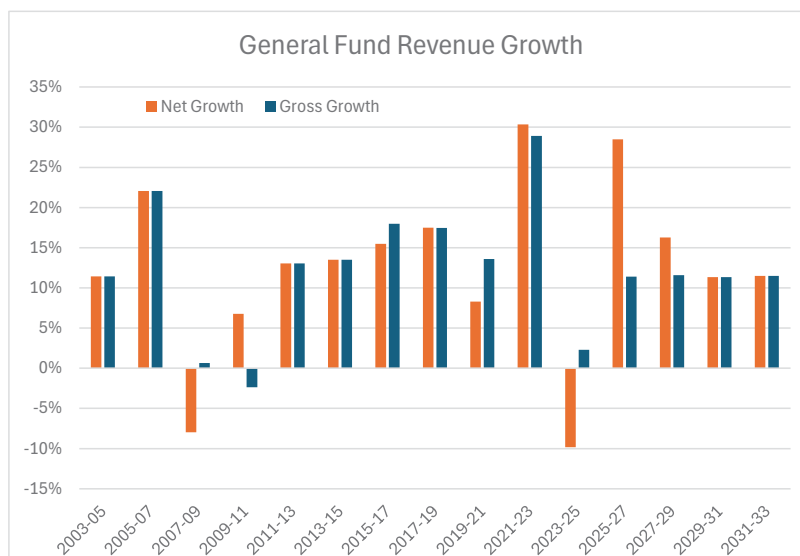
## OLDER ADULTS

- Ages 65 and over.** Between 2025 and 2027, the combined older adult population will grow by 4.3 percent. During this time the number of people aged 75 to 84 will increase by 10.1 percent and people aged 85 plus will increase by 8.8 percent. The number of people aged 65-74 will virtually remain the same. The degree of public assistance needed increases with age. Many members of the senior population require health care, pension support, and special housing. They are highly dependent on state long-term care services.



## 2025-27 Revenue Outlook and Risks

General Fund revenues are expected to increase modestly on a kicker-adjusted basis from the 2023-25 biennium, roughly 11.5 percent to a total of \$35.6 billion. In absolute terms, however, the increase is quite large due to the \$5.6 billion kicker credit issued in tax year 2023 and despite an anticipated \$1.8 billion kicker credit expected for tax year 2025. The trend growth anticipated for the next few biennia is lower than the previous two decades due to demographic and economic factors discussed elsewhere in this section.



Personal Income Taxes are the dominant source of revenue in the General Fund, contributing approximately 80 percent of the total.

The outlook for Personal Income Taxes is highly dependent on assumptions about non-wage sources of income, specifically capital gains and pass-through income from S-Corporations that is taxed at the individual level. Growth for these income sources is projected to slow considerably over the next decade. Retirement income is also expected to slow dramatically as the baby boom generation gets older.

Corporate Income Taxes have increased dramatically over the last decade, now equaling 12 percent of the General Fund. Corporate profits are projected to grow quite slowly for the next few years, adding to the tepid growth in the General Fund. Given the historic volatility in corporate income taxes, this conservative outlook imbues the forecast with considerable upside risk.



Outside of income tax revenue, the primary sources of growth in recent years are inheritance taxes and interest earnings. With the aging of the baby boom generation and nominal growth in asset levels, this growth should continue at subdued rates. Other sources of revenue include cigarette and other tobacco tax, liquor apportionment, insurance taxes and certain criminal justice fees. These revenue sources are relatively stable and often do not contribute to the General Fund's otherwise volatile nature. One thing the outlook can't anticipate is one-time transfers that the legislature may enact due to the current law nature of the forecast.

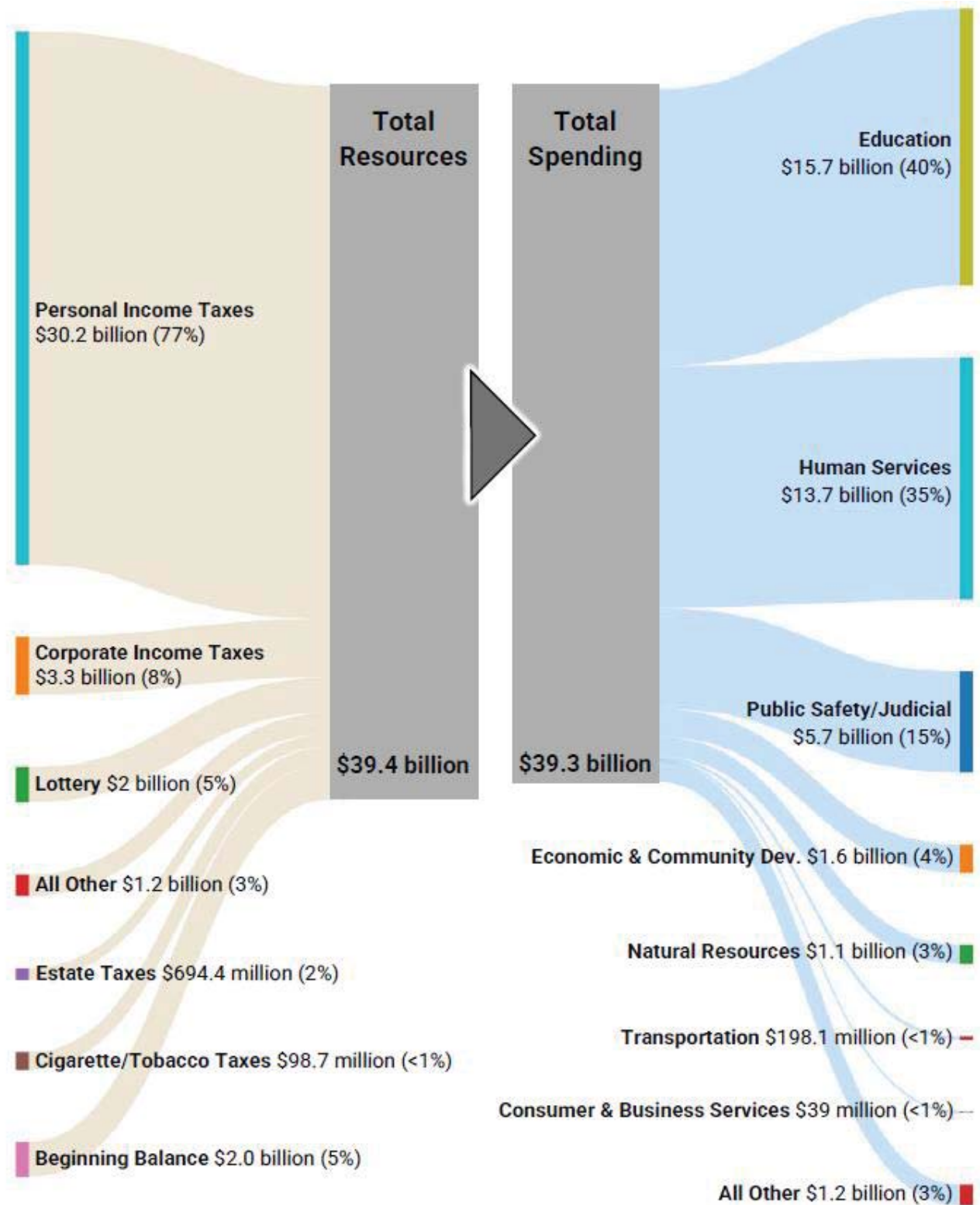
Beyond the General Fund, the major sources of revenue to the state include Lottery and the Corporate Activity Tax. Lottery revenues are projected to increase 5.8 percent to nearly \$2.0 billion next biennium. This is somewhat lower than the long-term average of 7.4 percent due to one-time transfers made in the 2023-25 biennium. The Corporate Activity Tax, a tax on gross receipts enacted in the 2019 legislative session, is expected to grow 11.7 percent to \$3.1 billion in the 2025-27 biennium. This rate of growth is expected to ease in the outer years as demographic factors take hold.

There are two major alternative scenarios regarding revenue growth: an optimistic outlook and recession. For the former, the likelihood is fair that the economy might accelerate well above the current growth path depicted in the current forecast. Given the very slow growth in taxable income and tax liability in the past two years, a bounce back is possible. In addition, while average wage growth is healthy in the baseline forecast, employment growth is very low relative to the demographic outlook and historic relationships. Finally, capital gains and corporate profits are quite variable historically and could fuel revenue growth in excess of the 11.0 percent baseline.

While recessions risks are relatively low at the moment, an economic soft landing is far from assured. There are a few factors, including continued inflationary headwinds and geopolitical concerns, that pose risks to economic stability. However, unlike pre-recession periods in recent decades (2000 and 2007), there are not the precarious imbalances that precipitated the substantial employment and income declines marking the two previous recessions. Therefore, potential risk is viewed as modest in comparison. Whereas General Fund revenues declined as much as 15 percent from the baseline during previous recessions, a 7.5 percent demarcation (or \$1.75 billion) in the 2025-27 biennium is viewed as the more likely scenario. Current estimates put the likelihood of this scenario at approximately 20-25 percent.

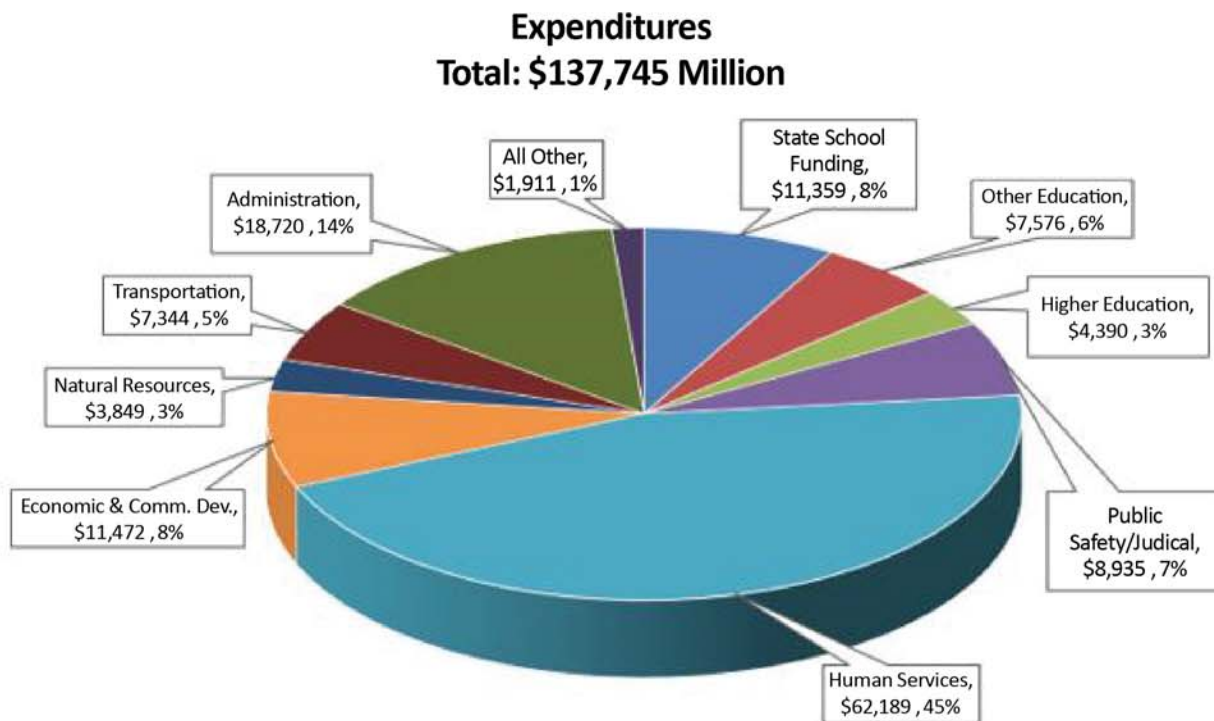
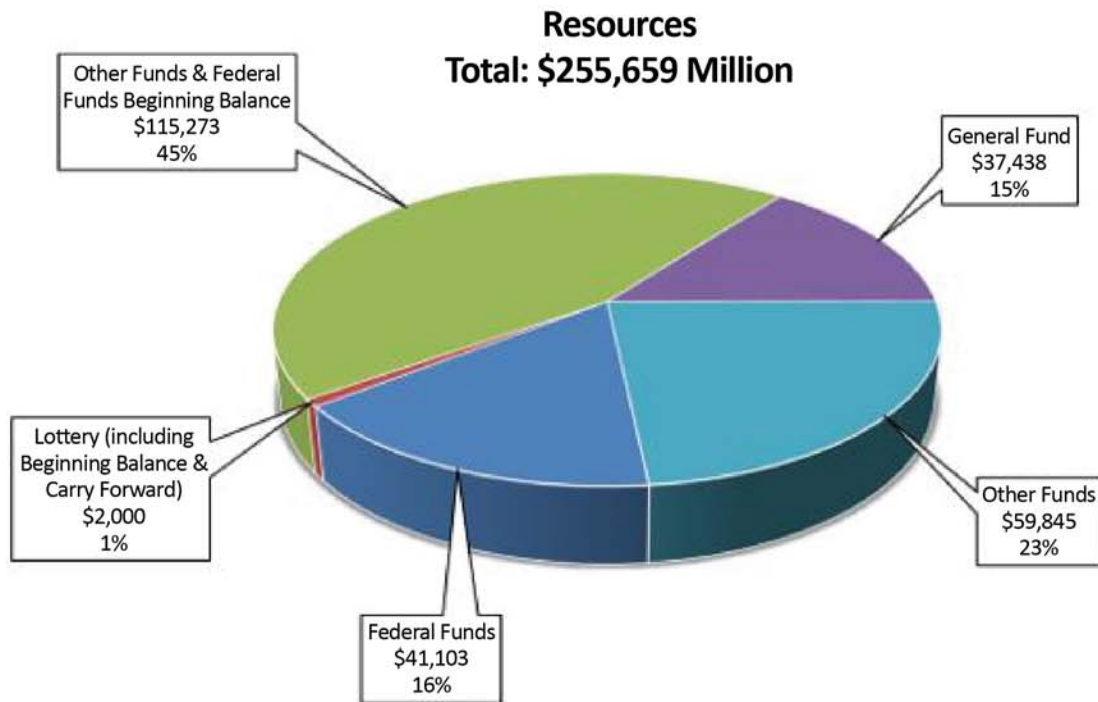
While the revenue outlook is uncertain, Oregon is in a better position than in the past to manage this risk. Encouragingly, Oregon has saved a larger amount of reserve funds than ever before. Automatic deposits into Oregon's Rainy Day Fund and Education Stability Fund over the past decade have added up. For 2025-27, Oregon's reserves as a percentage of projected General Fund revenues should be adequate to cover all but the most severe economic downturn.

## 2025-27 GENERAL FUND/LOTTERY FUNDS BUDGET

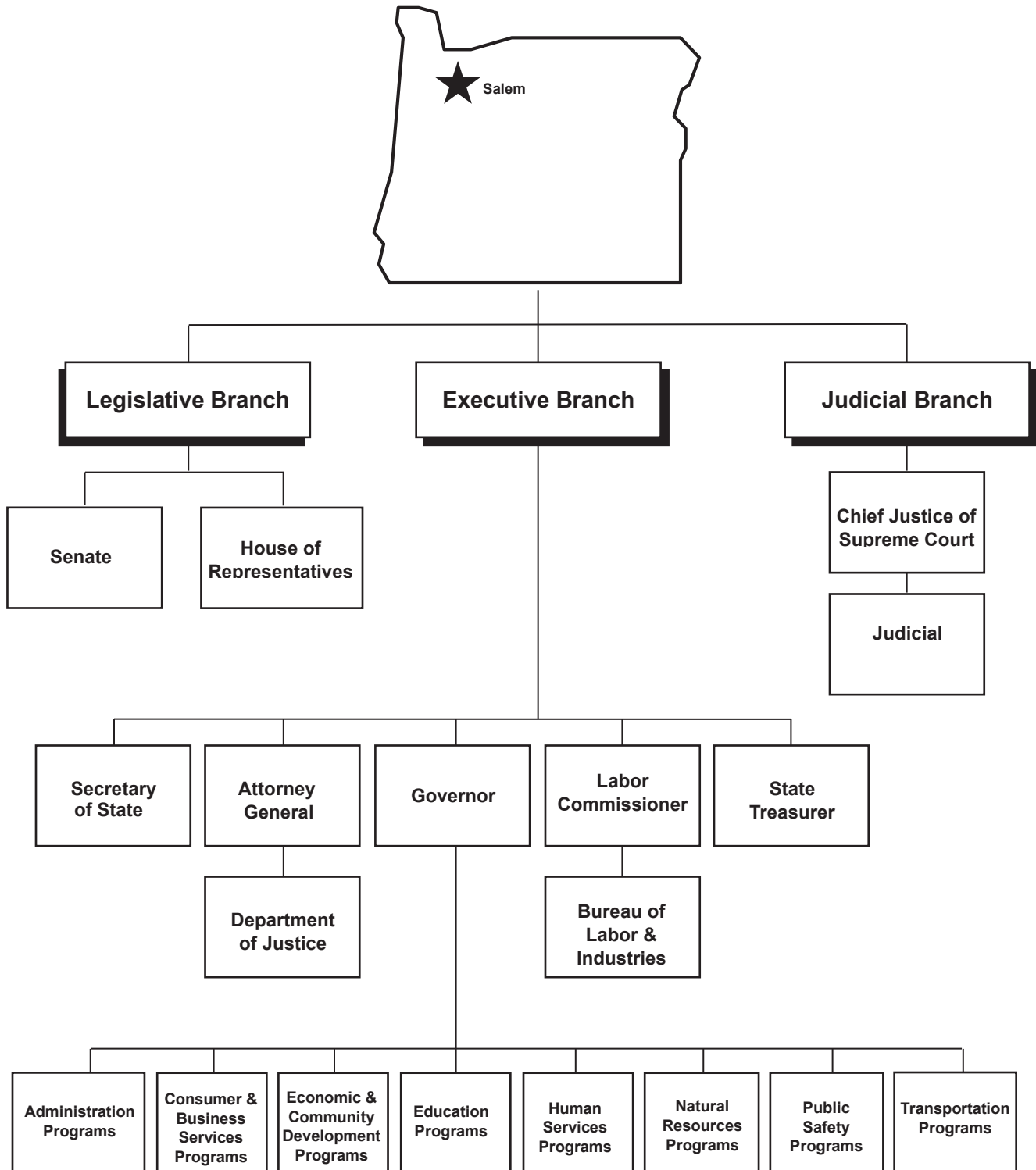




## 2025-27 ALL FUNDS BUDGET



# STATE OF OREGON ORGANIZATION CHART



# EDUCATION

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Program Area and Agency Information



## EDUCATION AGENCIES

### Education Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$11,670,771,467	\$12,967,462,123	\$14,815,090,858
Lottery Funds	788,239,967	842,983,146	901,605,091
Other Funds	3,479,201,447	5,016,613,054	5,226,171,114
Federal Funds	2,420,658,546	2,069,107,111	1,459,212,331
Other Funds (Nonlimited)	292,872,779	359,312,944	358,268,043
Federal Funds (Nonlimited)	531,607,142	565,007,874	564,898,721
Total Funds	\$19,183,351,348	\$21,820,486,252	\$23,325,246,158
Positions	1,110	1,291	1,262
Full-time Equivalent	1,004.18	1,219.35	1,226.50

#### OVERVIEW

Oregon's education system provides a foundation for responding to the individual needs of our children and students, and the collective needs of our communities. It is clear, since the pandemic, long-standing gaps in opportunity have been further deepened and underlying systemic inequities exacerbated, placing a high school diploma, post-secondary education, career and technical training, and employment out of reach for too many Oregonians, especially Oregonians of color and tribal communities. It is through partnerships with community-based, culturally specific organizations and entities spanning education, health, social services, housing, and workforce that our state can holistically and comprehensively support students in these uncertain times, reinforcing them and their resilience in continuing to pursue pathways toward a high school degree, job training, completion of postsecondary degree, and a career. The education program area includes the following:

- The Oregon Department of Education (ODE) supports K-12 education, including support for school districts in the areas of school improvement, assessment, special education, professional/technical education, legal requirements, Grant in Aid distribution, nutrition, and transportation. State school funding for public elementary and secondary school districts and education service districts is distributed by the Department of Education. The Department's budget also includes funds for the Oregon State School for the Deaf, education services at youth corrections facilities and youth detention centers, special education, child nutrition, and educational programs for children of low-income families.
- The Youth Development Division (YDD), also housed within ODE, was established to create a coordinated system for services to school age children and youth up to age 20, supporting academic success and to prevent/reduce youth involvement with the justice system. The Youth Development Council oversees an aligned system of service for resilient yet vulnerable youth who are more likely to face barriers to access to educational and economic opportunities. YDD does this

by coordinating a variety of programming designed to re-engage youth in educational and workforce programming.

- The Educator Advancement Council (EAC) also within ODE, oversees regional networks led by educators to provide high-quality, culturally responsive, professional learning for teachers and administrators. EAC is building partnerships and pathways to grow the number of educators who are racially, ethnically, and linguistically diverse to more closely mirror the demographics of the student population served in our public schools.
- The Teacher Standards and Practices Commission (TSPC) an independent state agency, oversees educator preparation programs and licensees. TSPC establishes rules and standards for issuing licenses, registrations, and certifications for educators, administrators, school counselors, school psychologists, school nurses, and charter schools. The Commission also maintains and enforces professional standards and proper assignment of licensed educators.
- The Department of Early Learning and Care (DELIC) began operating as a new, independent state agency in the 2023-25 biennium. DELC is responsible for supporting families and young children to access high-quality early care and education programs and services, including child care and preschool. DELC is responsible for supporting a high-quality, and coordinated, mixed-delivery early learning system to ensure all children enter kindergarten ready to learn. DELC is overseen by the Early Learning System Director and coordinated by the Early Learning Council.
- The Higher Education Coordinating Commission (HECC) is responsible for developing goals and a strategic plan for the state's post-secondary education system, implementing accountability measures for achieving those goals, developing a finance model for a consolidated post-secondary education budget, and promoting policies addressing access to post-secondary education, student success and completion, and improved coordination of educational services. The HECC budget consists primarily of state funding for community colleges, public universities, Oregon Health and Science University programs, the Oregon Opportunity Grant program, the Oregon Promise program, and debt service on bonds issued to finance college and university capital projects.

## GOVERNOR'S BUDGET

The 2025-27 Governor's budget for the Education Program Area is \$23,325.2 million total funds and 1,262 positions. This includes \$14,815.1 million General Fund, \$901.6 million Lottery Funds, and \$3,101.9 from the Corporate Activity Tax. The Governor's budget prioritizes investments in several key areas including:

- School Funding. The Governor's budget proposes \$11,359.4 million for the State School Fund. State resources within this amount include General Fund, Lottery Funds, Corporate Activity Taxes, Marijuana, and other miscellaneous funds. This amount reflects the work directed by the Governor to convene stakeholders to create as accurate of a Current Service Level (CSL) budget as possible using the best available data sources. This work resulted in a roughly \$515 million dollar increase to the CSL for the 2025-27 biennium, and incorporating updated PERS rates, is approximately a \$600 million increase.
- Early Literacy. Literacy is the foundation for learning, but far too many students are not getting the intentional literacy support and experiences designed to reflect each student's needs and strengths. The Governor's budget proposes a series of investments to ensure all children are supported to learn to read, followed by reading to learn. The Governor's budget includes a \$100 million investment in grants to school districts to further build out the early literacy investments obtained in 2023. Also included is a Birth to Five Literacy investment of \$10 million General Fund to continue current Birth to Five Literacy program investments for a full 24 months, along with \$2.2

million General Fund for Dolly Parton's Imagination Library. At the Teacher Standards and Practices Commission, an additional \$0.5 million is provided to support educator preparation programs in the teaching of early literacy. Finally, within DELC an additional \$0.3 million General Fund to align the Early Learning and Kindergarten Guidelines with ODE's Literacy Framework is included to further support early literacy. The expanded guidelines are to include development progressions for infants and toddlers and specific early literacy strategies for dual/multi language learners.

- Summer Learning (all grades). The budget includes a \$75 million investment which will offer students opportunities to connect with each other in the outdoors and the community in ways that support whole-child wellbeing during summer 2025 and 2026. This builds upon the funding received during the 2024 Legislative Session, which funded summer learning activities for the summer of 2024. Also included is an additional \$3.5 million for staffing to create the infrastructure necessary to evaluate these efforts.
- School Capital Construction. The Governor's budget includes \$77.5 million in Lottery Funding and an additional \$108.9 million in bond funding to continue the state's capital improvement matching program for school districts. The budget also includes \$92.7 million for projects at the Oregon School for the Deaf and \$5.1 million for the Connecting Oregon Schools program to leverage Federal Funds to expand broadband connectivity for schools.
- Additional Student Supports. The Governor's Budget includes \$28.7 million in Student Access and Completion scholarship expansion for the Oregon Opportunity Grant, Oregon Tribal Student Grant, and Oregon National Guard State Tuition Assistance Grant.
- Behavioral Health Workforce. To help address workforce needs currently found in Oregon, also included in the Governor's budget is \$25.7 million investment to expand education and training pathways to enhance the behavioral health workforce.
- Future Ready Oregon ARPA Funding Carryforward. The Governor's budget contains \$62.5 million carryforward of ARPA funding to continue to support the work contained within Senate Bill 1545 (2022).
- Higher Education Capital Construction. The Governor's budget includes \$446.0 million in project costs for Public University and Community College capital projects. This amount includes funding for Public Universities Capital Improvement and Renewal projects, as well as individual projects at Portland State University, Clackamas Community College, Klamath Community College, and Mt. Hood Community College.
- Tribal Early Learning Fund. Through government-to-government consultation, DELC and the Tribal Advisory Committee have developed strategies, which Tribes may employ to reach shared goals for Tribal children across the state. A key component of this is providing flexible funding for the nine federally recognized Tribes within Oregon's borders to support early learning and child care in their communities. This includes the ability for Tribes to develop and expand language preservation and revitalization efforts, as well as culturally specific early literacy professional learning and programming. The budget includes a \$4.7 million General Fund investment for the new Tribal Early Learning Fund.
- Educator Data System. The Governor's budget includes funding the second phase for modernization of the Educator Data System, an electronic licensing system at the Teacher Standards and Practices Commission.



## Oregon Department of Education

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$9,020,019,011	\$9,468,620,597	\$10,836,616,647
Lottery Funds	650,508,965	641,965,253	711,442,502
Other Funds	2,818,718,070	3,863,244,518	4,100,847,139
Federal Funds	2,333,343,837	1,542,525,013	1,041,079,849
Other Funds (Nonlimited)	138,222,439	164,071,224	164,071,224
Federal Funds (Nonlimited)	517,272,546	540,463,419	540,463,419
Total Funds	\$15,478,084,868	\$16,220,890,024	\$17,394,520,780
Positions	895	690	647
Full-time Equivalent	811.56	644.31	632.91

### OVERVIEW

The Oregon Department of Education works to foster equity and excellence for every learner through leadership, innovation, and partnerships with educators, partners and communities. It is the lead agency for the Oregon constitutional mandate to “provide by law for the establishment of a uniform, and general system of Common schools.” The Governor serves as the Superintendent of Public Instruction. The Director of the Oregon Department of Education has delegated authority from the Governor to fulfill functions of the Superintendent and oversee operations of the department. The department supports the State Board of Education and the Director of the Oregon Department of Education, in carrying out their respective responsibilities, including:

- Adopting rules for general governance of schools and distributing funding for all K-12 public schools
- Implementing statewide standards for schools
- Establishing rules for schools and ensuring they are followed
- Administering Oregon’s statewide educational assessment system
- Acting as a liaison and monitoring implementation of federal programs, and
- Partnering with all education stakeholders, including local school districts, education service districts, Early Learning providers, community colleges, parents, teachers, administrators, community-based organizations, businesses and community members.

The Department also supports the Youth Development Council and Youth Development Director in carrying out their responsibilities administering funding to community and school-based programs focused on reengaging youth ages 6-24, who are not enrolled in school or participating in the workforce, including career development and juvenile crime prevention programs.



The Governor's budget provides additional funding for district's most flexible funding source, the State School Fund (SSF), as well as targeted investments to support early literacy, summer learning, and aligns funding and revenues for Student Success Act programs.

### **GOVERNOR'S BUDGET**

The Governor's budget for the Oregon Department of Education is \$17,394.5 million total funds. This is a 7.2 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes 647 positions, a decrease of 43 positions from the 2023-25 LAB. The SSF budget is \$11,359.4 million total funds, including \$829.9 million funded by the Corporate Activity Tax.

The budget prioritizes current programs and invests in:

- The State School Fund current service level (CSL) calculation changed resulting in approximately \$515 million in total fund increase, and with an update for the fall final PERS rate is an increase of approximately \$600 million;
- An additional \$100.0 million in early literacy investments to school districts and an additional \$10.0 million to tribal nations and community organizations to increase students' reading proficiency, providing resources to ground instructional practices in what we know works;
- Summer Learning program funding of \$75.0 million for the summer of 2025 and 2026 with an additional \$3.5 million to support evaluation infrastructure;
- Capital funding to improve the Oregon School for the Deaf, provides funding for the Oregon School Capital Improvement Matching (OSCIM) program through bond sales and Lottery Funds transfer, and expands broadband connectivity for school districts;
- Two projects to modernize and improve IT system, one for distribution of the State School Fund, and another to improve the grants management system.

### **REVENUE SUMMARY**

In prior biennia, the Department relied primarily on state General Fund and Lottery Funds. With the passage of the Student Success Act in 2019, the Department now has an additional source of ongoing, dedicated revenue from the Corporate Activity Tax (CAT). In November 2024, the Office of Economic Analysis projected the Department will receive \$3,101.9 million in 2025-27 from the CAT, which includes funding for both the Student Success Act and the State School Fund, representing an investment in education funding. The Governor's budget recognizes the additional cost pressures to CAT-funded programs while adhering to the statutory requirements regarding funding levels in individual subaccounts. A summary table of the change in Student Success Act funding in the Governor's budget for 2025-27 is on the following page.

	Student Investment Account	Statewide Education Initiatives Account	Early Learning Account
<b>Change in ODE Student Success Act Budget</b>			
2023-25 Legislatively Approved Budget	\$1,092,061,249	\$630,778,482	\$568,290,369
2025-27 Governor's Recommended Budget	\$1,212,483,154	\$615,329,898	\$591,338,584
Difference	\$120,421,905	(\$15,448,584)	\$23,048,215

*Projected ending fund balances included*

While the Student Success Act provides a sizeable boost to the state's P-20 education budget, the General Fund still accounts for 60.4 percent of the Department's total budget, with the majority of the General Fund flowing to the State School Fund. The Department also receives Lottery Funds to support the State School Fund and to pay the principal and interest on certain education bonds. Other Funds revenues come from a variety of sources aside from the aforementioned CAT revenue, including fees and grants. Federal Funds come primarily from the U.S. Department of Education. Elementary and Secondary School Education Relief (ESSER) funds are being phased out in the 2025-27 biennium. Federal Funds are also received from the U.S. Department of Agriculture for Child Nutrition Programs and Child Care Development Fund.

## **AGENCY PROGRAMS**

### **School Funding**

The State School Fund supports the education of Oregon children in kindergarten through the 12th grade by distributing monthly payments to 197 school districts and 19 education service districts. State resources from General Fund, Lottery Funds, and Corporate Activity Tax provide about two-thirds of the revenue distributed through the funding formula. Local property taxes make up the bulk of the remaining one-third. Together, these moneys pay for public school districts' general operating expenses, student transportation costs and other specific purposes. In addition to State School Fund revenue, public school districts also receive certain categorical grants and other revenues, which in total add nearly 25 percent more to schools' budgets.

The Governor's budget proposes \$11,359.4 million for the State School Fund account. State resources within this amount include General Fund, Lottery Funds, Corporate Activity Taxes, Marijuana and other miscellaneous funds. This includes \$9,860.1 million General Fund, \$829.9 million in Corporate Activity Taxes, \$625.3 million Lottery Funds, and \$43.4 million in Marijuana taxes and \$0.8 million in Timber taxes. The proposed budget is 10.2 percent increase over the 2023-25 LAB.

## Special Schools

The Department of Education provides a comprehensive school (residential and day program) for students, ages five through 21, who are deaf and hard of hearing. The program serves students from throughout the state on a 52-acre campus located in Salem. It supports the goal of ensuring these students are prepared for lifelong learning, rewarding work and engaged citizenship. The Governor's budget is \$24.5 million total funds, which is a 4.6 percent General Fund decrease from the 2023-25 CSL. The budget includes 82 positions, unchanged from 2023-25 CSL.

## Common School Fund

The act of Congress admitting Oregon to the Union in 1859, granted sections 16 and 36 in every township "for the use of schools." Congress granted roughly six percent of the new state's land (nearly 3.4 million acres) for the support of schools. Due to various circumstances, less than 20 percent remain in state ownership today. These lands and their mineral and timber resources, as well as other resources under the State Land Board's jurisdiction (including the submerged and submersible lands underlying the state's tidal and navigable waterways), are managed "with the object of obtaining the greatest benefit for the people of this state, consistent with the conservation of this resource under sound techniques of land management."

The State Treasurer and the Oregon Investment Council invest the Common School Fund. The State Land Board distributes a portion of the funds twice per year to the Department of Education, which in turn distributes the funds to school districts. The Common School Fund revenues are considered local revenues. The Governor's budget assumes distributions totaling \$160.0 million; this represents equal funding from the 2023-25 LAB.

## Educator Advancement Council Grant in Aid

The Educator Advancement Council (EAC) was established in 2017 to integrate educator preparation and professional learning efforts, to ensure educators have a seamless system of support throughout their careers and ensure that students experience high quality and culturally responsive learning. The EAC distributes moneys through the Educator Advancement Fund in coordination with all education state agencies to educator networks based on local need and educator voice to develop systems for supporting educators. This includes career pathways to meet educator workforce needs, supports and mentoring for novice educators, coaching for career advancement and retention, and culturally responsive professional learning. EAC also strives to align early learning professional development efforts with P-20 and address issues related to educator workforce supply and demand. The Educator Advancement Fund is primarily funded through a transfer from the SSF along with additional funding from the Statewide Education Initiative Account. The Educator Advancement Fund's budget is \$46.2 million total funds.

## Grant In Aid

The Department administers over 90 K-12 Grant In Aid programs, which are grouped into the following seven categories:

- Student Success Grants includes grants for targeted programs, supports, and interventions in

schools to improve high school graduation outcomes. This includes the High School Graduation and College and Career Readiness Fund and the Student Success Act's Student Investment Account. The Governor's budget maintains the expanded level of support for the High School Success Fund that began in 2019-21 with the Student Success Act, increasing total support to \$340.8 million for the 2025-27 biennium. The Governor's budget also aligns expenditures and revenues in the Student Success Team Intensive Coaching Grants and reduces the program by \$18.5 million Other Funds. Finally, the Governor's Budget funds one rather than three Recovery Schools authorized by House Bill 2767 (2023), reducing Other Funds by \$6.3 million Other Funds.

- *District Capacity and Technical Assistance* – Grants and programs increasing school district capacity through technical assistance and overall school system supports. This includes funding for Education Service Districts (ESDs). Given cost pressures in CAT-funded programs, the Governor's budget reduces the ESD Technical Assistance Support grants by \$7.5 million from 2025-27 CSL.
- *STEM and CTE programs* – Career Technical Education (CTE) and Science, Technology, Engineering and Math Education (STEM) programs provide high school and community college students with career-focused, industry-aligned academic and technical knowledge and skills, personalized career development and organized transitions to post-secondary education, employment, industry apprenticeships, and training.
- *Child Nutrition* – Children who are experiencing poverty and show up to school hungry are at higher risk for developmental and academic problems, frequent illness, and nutritional inadequacies. The Department's Child Nutrition Programs provide funding for nutritious meals and snacks to eligible participants in schools and community-based programs, increase fresh fruit and vegetable consumption in areas where people with low income live, and encourage wellness activities related to nutrition and physical activity. The majority of funding for nutritional programs is federal, although the Student Success Act in the budget also includes \$127.3 million for the Hunger Free Schools Program Grants in 2025-27.
- *Educator Effectiveness Grants* – These are programs that support K-12 educators across the state, either through professional development, stipends for specified types of educators, and a federal grant program supporting teacher and principal professional development.
- *Closing the Achievement Gap* – This set of programs invests in students from communities that have been historically marginalized and have faced institutional barriers, including students of color, children from households with low-income, and English Language Learners.
- *Special Education* – The Department and school districts have a duty to ensure students with disabilities receive a free, appropriate public education in the least restrictive environment. Special education has a broad range of programs and services offered by districts and the state for students with disabilities. School districts receive funds for special education primarily from the SSF and federal Individuals with Disability Education Act funds. Regional programs receive funds from the Department of Education and the Individuals with Disability Education Act funds from school districts.

The Governor's budget for Grant-In-Aid is \$4,254.7 million total funds, which is a 2.4 percent increase from the 203-25 CSL. The budget reduces several grant programs by roughly 11 percent totaling \$16.1 million General Fund across the following grant programs: Start Making a Reader Today, Reach Out to Read, Supporting Accelerated Learning, Physical Education, Academic Content Standards, Other Student Success Grants, Other District Capacity, STEM Regional Network, CTE Revitalization CTE Career Pathway, STEM Innovation, Student Leadership Centers, Future Farmers of America, Agricultural

Summer Program, After School Meal/Snack Program, Breakfast & Summer Lunch, and Family Day Care Home Sponsorship.

The largest federal grants administered by the Department come from the U.S. Departments of Education and Agriculture and are distributed primarily to local education programs. Federal K-12 Grant in Aid totals \$1,041.1 million with most attributable to just three areas: nutrition, Individuals with Disabilities Act (IDEA) grants, and Low Income Title I, Part A support, which provides federal financial assistance to local educational agencies for children from families with low-income.

### **Youth Development Division Grant in Aid**

The Youth Development Division supports the Youth Development Council, which was established to develop and administer comprehensive youth support and reengagement programs improving educational outcomes for youth through age 24 who are at risk. The Division administers grants and community investments to support drop-out prevention, graduation readiness, youth workforce development and successful transitions to postsecondary education and training. It also implements the Juvenile Crime Prevention and Youth Investment – Title XX programs for prevention and intervention services related to the reduction of gang violence and gang involvement. The Governor’s budget for Youth Development Division Grant-in-Aid is \$33.8 million total funds, which is a 5.9 percent decrease from the 2023-25 CSL. The decrease is due to the reduction in General Fund in Community Schools, Youth Investment, and Juvenile Crime Prevention.

### **Department of Early Learning and Care**

The Department of Early Learning and Care (DELIC) was transferred from the Oregon Department of Education in the 2021-23 biennium, but the two organizations still share revenue from the Corporate Activities Tax. This budget structure is used to pass the funds associated with the Early Learning Account over to DELIC. The Governor’s Budget includes a transfer of \$443.3 million.

### **Capital Bonds**

This program includes bond proceeds from the Oregon School Capital Improvement Matching Program (OSCIM). The Legislature created this program in 2015 to encourage passage of school bond levies. The program provides matching grants to school districts for capital costs including construction, improvement, remodeling, equipment purchases, and maintenance and repair of facilities. It also allows for assessments and long-range planning of district facilities and for hardship grants. Sixty percent of the grants awarded under the program are based on a priority list and 40 percent are on a first-come first-served basis. Prior to receiving a grant under this program, a district must prepare and submit a facilities assessment and a long-rang facilities plan. Districts must match the state grants with funds from local voter approved bonds and grants are capped at \$8.0 million. The Governor’s budget includes \$649.8 million total funds. The budget includes \$77.5 million in Lottery Funds and an additional \$108.9 million in Article XI-P bonding to support the OSCIM program.

Capital bond financing is also used for Oregon School for the Deaf (OSD) capital and deferred maintenance projects. The Governor’s budget includes \$92.7 million General Obligation Article XI-Q bond funds for OSD Capital Improvements.

The Governor's budget also includes \$5.1 million in new Lottery Bonding authority to leverage Federal Funds for the Connecting Oregon Schools broadband program.

### **Debt Service**

This budget area accounts for debt service costs related to bonds issued by the state on behalf of the Agency and school districts, as well as the Oregon School for the Deaf. Almost all the General Fund debt service funding in 2023-25 represents the amount required to pay the Article XI-P general obligation bonds issued for Oregon School Capital Improvement Matching Program. The Governor's budget includes \$87.3 million in total funds.

### **Operations**

Operations includes the State Board of Education, the Office of the Director, seven different Offices with specific functional and programmatic responsibility, one semi-independent division (YDD) and the Educator Advancement Council. The Department's primary customers are Oregon's 197 school districts, 19 education service districts (ESDs), and over 1,200 schools, as well as their students, teachers, administrators, and other staff. In addition, ODE, through the Youth Development division, partners with a combination of non-profit and community based service organizations to deliver programs for youth at risk. The Operations program includes functions and activities, which support the various programs within the agency.

The Governor's budget for Operations is \$335.4 million total funds. The total funds budget is a 0.9 percent decrease from the 2023-25 CSL. The budget supports 565 positions. The Governor's budget includes staffing for State School Fund distribution modernization, Senate Bill 819 (2023) implementation, and the Individuals with Disabilities Education Act fiscal team, and evaluation of Summer Learning and resources for the Grants Management System replacement.



## Higher Education Coordinating Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$2,649,624,557	\$2,903,087,386	\$3,222,974,858
Lottery Funds	137,731,002	201,017,893	190,162,589
Other Funds	646,841,822	664,226,894	612,825,482
Federal Funds	87,314,709	136,448,359	145,671,556
Other Funds (Nonlimited)	154,650,340	195,241,720	194,196,819
Federal Funds (Nonlimited)	14,334,596	24,544,455	24,435,302
Total Funds	\$3,690,497,026	\$4,124,566,707	\$4,390,266,606
Positions	180	196	201
Full-time Equivalent	160.87	185.63	187.72

### OVERVIEW

The Higher Education Coordinating Commission (HECC) sets state policy and funding strategies, administers numerous programs, and manages approximately four billion dollars of public funding for postsecondary education. Led by a 15-member, Governor appointed commission, HECC determines state funding allocations to public institutions; approves new degree and certificate programs; licenses and authorizes private post-secondary institutions; makes budget and policy recommendations to the Governor and Legislature; collects and reports postsecondary data; administers state financial aid and other access programs; and undertakes a variety of other reporting and oversight responsibilities assigned by state law.

The HECC budget primarily consists of state funding for community colleges, public universities, the Oregon Opportunity Grant program, and the Oregon Promise program. While these funding streams are primarily distributed to the institutions and students, the Commission has a role in determining how the funds are allocated.

### GOVERNOR'S BUDGET

The Governor's budget for HECC is \$4,390.3 million total funds and 201 positions. This is a 6.4 percent increase from the 2023-25 Legislatively Approved Budget (LAB). General Fund and Lottery Funds total \$3,413.1 million, a 10.0 percent increase from LAB. The Governor's budget includes:

- \$25.7 million investment to expand education and training pathways to enhance the behavioral health workforce.
- \$28.7 million in Student Access and Completion scholarship expansion for the Oregon Opportunity Grant, Oregon Tribal Student Grant, and Oregon National Guard State Tuition Assistance Grant.
- \$62.5 million in ARPA funding carried forward to continue Future Ready Oregon efforts.



- \$446.0 million in bond proceeds for Public University and Community College capital projects.

The Governor's budget also includes resources necessary for IT modernization efforts, ongoing financial viability projects, and General Fund and Lottery Funds debt service for previously approved projects for the public universities, community colleges, and the Oregon Health and Science University (OHSU).

## **REVENUE SUMMARY**

General Fund supports 73.4 percent of HECC's budget. This includes the cost of agency operations, support for community colleges and public universities, the Opportunity Grant and Oregon Promise programs, workforce initiatives, and debt service. Lottery Funds, which makes up 4.3 percent of HECC's budget, pays for debt service, the Outdoor Schools Program, and Oregon Opportunity Grants.

HECC receives a variety of federal grant funds including the Workforce Innovation and Opportunity Act Title IB supporting youth, adult, and dislocated worker training programs through the state's One Stop Centers; Title II funding adult basic education programs; and National Emergency Grants offering training and reemployment services to workers in areas facing large layoffs. Other federal grant programs include Perkins grants for career and technical education transferred from the Oregon Department of Education, Bureau of Land Management grants for youth employment opportunities through the Oregon Youth Conservation Corps, and federal funding for Oregon Volunteers, the state-based AmeriCorps program.

The Degree Authorization, Private Careers Schools, and General Education Development (GED) programs are authorized to charge fees to authorize post-secondary institutions, license private career schools, and administer GED tests.

HECC administers about 600 different public and private scholarships. Administrative fees are charged to donors and granting agencies to cover the cost of operating the programs.

Capital projects for the universities and community colleges are generally funded with proceeds from the sale of general obligation and Lottery-backed bonds. Most of the bonds proposed for sale in the Governor's budget will be repaid with General Fund and Lottery Funds. Debt Service on Article XI-F (1) bonds and some Article XI-Q bonds are paid with revenues received by the universities that benefited from the bond sales. The expenditures are recorded as Other Funds Nonlimited.

## **AGENCY PROGRAMS**

### **Directors Office**

The Director's Office carries out the central executive role of the agency, as well as communications, legislative affairs, human resources, diversity, equity and inclusion coordination and initiatives, policy initiatives, and other roles for the integrated Agency. The Governor's budget for this program is \$7.9 million total funds, including 17 positions. This represents a 35.7 percent decrease from the 2023-25 budget, due to reductions made to the Benefit Navigator Program.

### **Central Operations**

Central Operations provides centralized business services and support to HECC. It includes the operations of Information Technology, Contracts and Procurement, Fiscal and Budget, Project Management, and Facilities Management Services. The Governor's budget for this program is \$45.1 million total funds, including 49 positions. This represents a 7.0 percent increase from the 2023-25 LAB.

### **Research and Data**

The Office of Research and Data is responsible for providing education research and analytical services to support the commission's efforts to achieve goals related to equity in Oregon education, and to track progress in achieving the commission's strategic goals. The Governor's budget for this program is \$10.6 million total funds, including 23 positions. This represents a 3.2 percent increase from the 2023-25 LAB.

### **Academic Policy and Authorization**

The Office of Academic Policy and Authorization manages two primary areas of work: 1) the quality, integrity, and diversity of private postsecondary programs in Oregon, for the benefit of students and consumers, and 2) public university academic policy. The Program authorizes private degree-granting institution and distance education providers; licenses and provides technical assistance to private career and trade schools; and coordinates policy related to Oregon's seven public universities. The Governor's budget for this program is \$8.0 million total funds, including 16 positions. This represents a 6.9 percent increase from the 2023-25 LAB.

### **Post-Secondary Finance and Capital**

The Office of Post-Secondary Finance and Capital provides fiscal coordination to Oregon's public post-secondary institutions, including the management of the Community College Support Fund, the Public University Support Fund, the funds for Public University State Programs, and the funds for Statewide Public Service Programs. The office also manages capital investments, fiscal reporting and analysis, capital bond funding administration and the allocation of state funding to public post-secondary institutions in Oregon. The Governor's budget for this program is \$2.3 million total funds, including five positions. This represents a 4.0 percent increase from the 2023-25 LAB.

### **Community Colleges**

The Community Colleges program provides coordination and resources related to Oregon's 17 community colleges and adult basic skills providers. The division also provides statewide administration related to Career and Technical Education, Accelerated Learning, Career Pathways, Community College Program Approval, GED testing and high school equivalency, and English Language Learners. The Governor's budget for this program is \$40.0 million total funds, including 21 positions. This represents a 7.6 percent increase from the 2023-25 LAB.

## Workforce Investments

The Office of Workforce Investments (OWI) works in partnership with the Oregon Employment Department, Oregon Department of Human Services, Oregon Commission for the Blind, and others to deliver programs within Oregon's workforce system. OWI is responsible for supporting and providing technical assistance to the Workforce and Talent Development Board and local workforce development boards. OWI administers WIOA Title I programs for youth, adult dislocated workers, and other training related federal grants.

The Governor's budget for this program is \$286.0 million total funds, including 43 positions. This represents a 10.1 percent decrease from the 2023-25 LAB due to the phase out of one-time workforce funding. The Governor's budget carries forward the remaining balance of federally funded ARPA investments for Future Ready Oregon as well as additional investments in pre-apprenticeship programs and enhancing the behavioral health workforce.

## Office of Student Access and Completion

The Office of Student Access and Completion (OSAC) administers a variety of state, federal, and privately funded financial aid programs for the benefit of Oregonians attending institutions of postsecondary education. OSAC also administers student outreach programs, such as Oregon ASPIRE, which matches trained and supportive adult volunteer mentors in middle schools, high schools, and community-based organizations to help students develop plans to meet educational goals beyond high school. OSAC administers the following scholarship programs:

- Oregon Opportunity Grant (OOG) – assists Oregon residents with low incomes who are enrolled in an undergraduate program, by paying for a portion of their college expenses at an Oregon community college, Oregon public university, or Oregon-based private nonprofit 4-year institution.
- Oregon Promise – helps cover most tuition costs at any Oregon community college for recent high school and GED test graduates.
- Oregon National Guard State Tuition Assistance (ONGSTA) – provides funding for tuition at Oregon community colleges and public universities for current members of the Oregon National Guard.
- Student Child Care Grant – assists student-parents who are enrolled in postsecondary education with child care to support their children's development while allowing the parents to progress academically.

The Governor's budget for this program is \$471.7 million total funds, including 27 positions. This represents a 13.2 percent increase from the 2023-25 LAB, which includes additional investments in the Tribal Student grant, ONGSTA and OOG.

## State Support to Community Colleges

This program contains funding for direct state investment in the operations of Oregon's 17 community colleges. Most of the funding in this unit is directed towards the Community College Support Fund, the state's contribution to college operations and student support. A small amount of timber tax revenue is received by the agency and transferred to the colleges. The Governor's budget is \$870.4 million total funds, a 6.9 percent increase from the 2023-25 LAB.

### **Public University Operations and Student Support**

This program, also known as the Public University Support Fund (PUSF), contains state funding provided to the universities for instruction, research, public services, and operation of the institutions. Funds in the PUSF are allocated among the universities using the Student Success and Completion Model through three main categories: Mission Differential Funding, Activity Based Funding and Completion Funding. Mission Differential Funding supports the regional, research, and public services missions of the universities based on historical funding. Activity Based Funding is distributed based on student credit hour completions of Oregon residents at undergraduate and graduate levels. Completion Funding is based on degrees and certification completions by Oregon residents (additional resources may be allocated based on completions by students from historically underrepresented groups and students in high-demand fields). The Governor's budget for this program is \$1,079.9 million General Fund, a 7.3 percent increase from the 2023-25 LAB.

### **Public University State Programs**

This program includes legislatively established programs with a research, public service, or economic development focus. The Governor's budget is \$67.2 million total funds, a 32.9 percent decrease from the 2023-25 LAB, due to the phase out of one-time projects.

### **Statewide Public Services**

This program includes the support for OSU's Agricultural Experiment Station, Extension Service and Forest Research Laboratory. These services provide educational programs and research projects in agricultural, biological, social and environmental sciences. The Governor's budget for this program unit is \$240.7 total funds. This represents a 7.8 percent increase from the 2023-25 LAB.

### **Sports Lottery**

The Sports Lottery program is funded with a statutorily dedicated one percent of net lottery proceeds; where 88 percent of Sports Lottery revenues are allocated to intercollegiate athletics, with at least 50 percent supporting women's athletics and no more than 30 percent supporting revenue-producing programs. The remaining 12 percent is used for graduate student scholarships, awarded based on need and academic merit equally. The Governor's budget is \$19.6 million Lottery Funds, which represents a 7.0 percent increase from the 2023-25 LAB.

### **Oregon Health and Science University Programs**

This program includes General Fund support for OHSU's operations and designated programs. Programs financed with state support include the schools of Medicine, Dentistry, and Nursing; the Office of Rural Health; the Area Health Education Centers; the Child Development and Rehabilitation Center; and the Oregon Poison Center. The Governor's budget for OHSU programs is \$146.5 million General Fund, a 4.0 percent increase from the 2023-25 LAB.

**Public University Debt Service**

This program includes the debt service for all long-term, state-issued debt obligations on behalf of Oregon's seven public universities. The proceeds of state-issued debt are primarily used to pay for capital construction projects. These include debt paid by state appropriations and revenue generated by self-supporting programs such as gifts, grants or student building fees. The Governor's budget is \$563.1 million total funds and reflects a 9.0 percent increase from the 2023-25 LAB.

**Community College Debt Service**

Debt service on Article XI-G general obligation bonds and lottery-backed bonds sold for community college projects is budgeted in this program unit. The Governor's budget is \$61.7 million total funds. This represents a 17.5 percent increase from the 2023-25 LAB.

**OHSU Debt Service**

This Program unit includes the debt service for bonds issued to benefit OHSU capital projects. The Governor's budget is \$26.9 million total funds, a 21.7 percent decrease from the 2023-25 LAB.

**Public University Capital Construction**

This Program unit includes state funding for capital projects for public universities. The Governor's budget includes \$422.5 million in project costs. This includes bond proceeds for the Portland Center for the Performing Arts project and other public university capital improvement and renewal projects.

**Community College Capital Construction**

This program unit includes state funding for capital projects for community colleges. The Governor's budget includes \$20.0 million for community college capital construction projects.

## Teacher Standards and Practices Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$1,127,899	\$2,005,295	\$1,287,198
Lottery Funds	0	0	0
Other Funds	13,641,555	16,273,044	15,980,676
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$14,769,454	\$18,278,339	\$17,267,874
Positions	35	38	30
Full-time Equivalent	31.75	33.00	29.50

### OVERVIEW

The mission of the Teacher Standards and Practices Commission (TSPC) is to ensure Oregon schools have access to well trained, effective, and accountable education professionals so all students have the opportunity to reach their full potential. The Commission:

- Establishes rules and standards for issuing licenses, registrations, and certifications for educators, administrators, school counselors, school psychologists, school nurses, and charter schools;
- Maintains and enforces professional standards and proper assignment of licensed educators; and
- Approves standards for approval for educator preparation providers and programs.

### GOVERNOR'S BUDGET

The Department includes four subprograms: Licensure, Accreditation (of institutions, which offer educator degrees), Professional Practices, and Operations. Most of the work focuses on licensure, while Professional Practices focuses on ethical, professional, or criminal improprieties. The Governor's budget is \$17.3 million total funds and supports 30 positions. The budget adjusts existing staffing and provides additional funding to complete a licensure system to ensure future licensing processes are both easier for teachers and can be processed more quickly by the agency. The budget also provides for additional staff to improve literacy education at educator preparation programs. Finally, the budget transfers the Oregon Administrator Scholars Program to the Higher Education Coordinating Commission.

TSPC plays a significant role in Oregon's ability to recruit and retain highly qualified teachers and school-based professionals and it has a profound impact on access to high quality education for Oregon's children. A renewed focus on the fundamentals of customer service and timely action on licensure and investigations has recently served the agency well.



**REVENUE SUMMARY**

The Commission is primarily funded by Other Funds received from application fees, initial licenses, renewal licenses, and delinquent fees. General Fund is provided for specific staffing needs, including staff supporting early literacy work.

## Department of Early Learning and Care

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$593,748,845	\$754,212,155
Lottery Funds	0	0	0
Other Funds	0	472,868,598	496,517,817
Federal Funds	0	390,133,739	272,460,926
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$0	\$1,456,751,182	\$1,523,190,898
Positions	0	367	384
Full-time Equivalent	0.00	356.41	376.37

### OVERVIEW

The Department of Early Learning and Care (DELIC) began operating as a new, independent state agency at the start of the 2023-25 biennium. In addition to creating DELIC, the Legislature also moved the Employment Related Day Care (ERDC) program, the state's largest early learning program, from the Oregon Department of Human Services (ODHS) to DELIC. The goal behind these two large-scale changes was to create a unified early learning and child care system, housed under one agency, to improve service delivery, center families within the policy development process, enhance community engagement and outreach, and streamline program administration. DELIC is charged with making sure multiple systems are more coordinated and aligned to effectively support families.

DELIC reports to the Early Learning Council, a nine member Governor-appointed public board. The Early Learning Council was created as part of the cradle to career education system with a focus on efforts to consolidate and coordinate state and federally funded early care and education programs and services. Together, the Early Learning Council and DELIC are charged with achieving Oregon's three early learning system goals: 1) Children arrive at kindergarten ready to succeed, 2) Children live in healthy, stable, and attached families; 3) The Early Learning System is aligned, coordinated, and family centered.

The Department supports the Council and the Early Learning System Director in carrying out their responsibilities to provide and coordinate early care and education services for children birth to five, including preschool, childcare licensing and regulation, and voluntary home visiting. The Department supports the Early Learning Council and the Early Learning System Director.

## GOVERNOR'S BUDGET

After several biennia of early learning program expansions and operational changes, the focus of the Governor's budget is to stabilize the early learning system, while targeting expansions to support early literacy, infant and early mental health consultation, and early learning and care for Tribal nations. Additionally, the Governor's budget proposes necessary operational investments to enhance quality and ensure the Department has sufficient administrative capacity to fulfill its responsibilities.

The budget includes a Birth to Five Literacy investment of \$10 million General Fund to continue current Birth to Five Literacy program investments for a full 24 months, along with \$2.2 million General Fund for Dolly Parton's Imagination Library, a new program in the 2023-25 biennium funded jointly with public resources and private foundation funds. The third early literacy investment is \$266,500 General Fund to align the Early Learning and Kindergarten Guidelines with the Oregon Department of Education's Literacy Framework. The expanded Guidelines are to include development progressions for infants and toddlers and specific early literacy strategies for dual/multi language learners.

Through government-to-government consultation, DELC and the Tribal Advisory Committee have developed strategies, which Tribes may employ to reach shared goals for Tribal children across the state. A key component of this is providing flexible funding for the nine federally recognized Tribes within Oregon's borders to support early learning and child care in their communities. This includes the ability for Tribes to develop and expand language preservation and revitalization efforts, as well as culturally specific early literacy professional learning and programming. The budget includes a \$4.7 million General Fund investment for the new Tribal Early Learning Fund established with a proposed legislative concept. The budget provides an additional \$4.4 million General Fund for Infant Early Childhood Mental Health Consultation services, a critical set of services to ensure children remain in classrooms and are ready to learn. The investment will help provide additional consultant staffing support across the program's regions.

The budget also strengthens operations to ensure the Department has the necessary infrastructure and human capital to deliver high-quality programs expected by families and communities. The budget includes operations and maintenance funding for key information technology systems including Healthy Families Oregon database, the Awards Management System, and professional services contracts. The Department is moving forward with implementing the new Provider Management Platform, a combined licensing and ERDC provider payment system, with available CCDF funds.

The Governor's budget is \$1,523.2 million total funds, which is an increase of 4.6 percent from the 2023-25 LAB. Slow growth in the total funds budget is due to the expiration of one-time Federal COVID-stimulus funds. Federal Funds are projected to decrease \$117.7 million next biennium. The Department's General Fund budget increases \$160.5 million or 27.0 percent compared to 2023-25, as much of the one-time Federal Funds were backfilled with General Fund.

The Governor's budget includes 384 positions, an increase of 17 positions, or 4.6 percent from the 2023-25 LAB. Ten positions were limited duration and were phased-out during budget build and 27 positions were added to strengthen operational capacity in accounting, budget, human resources,

communications, data analytics, project management, and program design and administration, as well as licensing and quality assurance to align staffing demands with greater caseloads.

## REVENUE SUMMARY

Aside from General Fund, Corporate Activity Tax (CAT) revenue is the next largest source of state funds for early learning programs. CAT revenues support approximately 30 percent of DELC's budget, providing funding for a range of programs including Oregon Prenatal to Kindergarten (OPK) and Preschool Promise. Spending from the Early Learning Account under the Governor's budget will increase by \$23.0 million, or 5.1 percent compared to 2023-25. The additional resources were added as part of inflationary adjustments to the Current Service Level budget and will allow DELC to increase funding for existing grant programs, helping to address rising costs.

The Department also serves as the lead agency for the Federal Child Care Development Fund (CCDF), a unified Federal child care funding stream to states, comprised of discretionary and entitlement funds. CCDF is the primary federal funding source at over \$200 million per biennium for child care subsidies to help eligible low-income working families access child care, departmental operations, and to improve the quality of child care for all children through regulation and licensing support. The 2025-27 budget includes approximately \$146 million in CCDF expenditures for ERDC subsidies, which helps cover the costs of care for the approximately 12,000 families utilizing the program monthly. The CSL budget moved \$116.6 million in expiring CCDF revenues, approved on a one-time basis through the federal American Rescue Act Plan, onto General Fund, to support ongoing ERDC subsidy payments in 2025-27. One-time Federal Funds had been used to help cover the costs of changes to the co-pay structure, rate increases for providers and expanded eligibility. These changes were intended to be ongoing, and the Governor's budget funds those commitments with ongoing General Fund support. The Governor's budget utilizes \$20 million in estimated CCDF balance available to achieve General Fund savings that were reinvested into the DELC budget through proposed investments.

## Agency Programs

### Grant In Aid

DELC's Grant in Aid programs are primarily funded with a combination of General Fund, Corporate Activity Tax revenues, and Federal Funds. Parenting Education, Program Supports, and professional development are solely funded with SSA dollars. The Department's largest program is ERDC, which accounts for roughly a third of the Department's Grant in Aid Budget. Total Grant in Aid funds under the Governor's 2025-27 budget increase by \$59.9 million or 4.5 percent over LAB. Slow growth in the Grant in Aid budget is largely due to the phase-out of one-time Federal Funds for the Preschool Development Grant and American Rescue Plan Act discretionary funds. General Fund increases by \$152.2 million or 28.8 percent over LAB, as much of the expiring Federal Funds were backfilled with General Fund.

- Oregon Pre-Kindergarten and Early Head Start - OPK is inclusive of Early Head Start and provides infant-toddler and preschool education, child health and nutrition, and family support services throughout the state to children and their families from prenatal to five years. The program serves children from 0-5 and their families who live at or below the federal poverty level, children in foster care, and children experiencing homelessness. OPK is modeled after and designed to work side by side with the federal Head Start program. Combined with federal Head Start funds, OPK provides

early learning services to an estimated 14,810 children a year.

- Employment Related Day Care Program (ERDC) is the largest early learning program in the state in terms of dollars. CCDF dollars help fund the program and are transferred from DELC to ODHS to pay providers. ERDC is structured as a voucher system, whereas most other programs within DELC, involve a contracted slot model. DELC is responsible for ensuring that ERDC complies with federal requirements. The state's ability to provide subsidized child care through ERDC is greatly influenced by the availability of federal funding and by the rules guiding the use of those funds. The Department continues to analyze the new CCDF rules scheduled to take effect in the 2025-27 biennium. Implementation of the new Provider Management Platform is critical to compliance with the new rules.
- Preschool Promise is a publicly funded, high quality preschool program for children ages 3 to 4 from families whose incomes are at or below 200 percent of the Federal Poverty Level. This program started in the 2015-17 biennium and was expanded from 1,300 children served to approximately 5,300 children with the investments made in the Student Success Act. Despite this increase, Preschool Promise still only serves a portion of all eligible children and families across the state.
- The Early Childhood Equity Fund was created as part of the Student Success Act (SSA). The fund provides grants for culturally responsive early childhood services to children and families who have been currently and historically underserved. Programming includes parent-child interactions, parenting education, and early literacy and family literacy while also preserving native languages. This program is intended to provide parents with support they need to ensure their children arrive at kindergarten ready to succeed, and close opportunity gaps. The organizations participating in the program must be culturally specific or operate a culturally specific early learning program. The program serves an estimated 7,000 children and their families annually.
- Healthy Families Oregon (HFO) is a nationally accredited, evidence-based home visiting program available to eligible families in all Oregon counties. HFO program sites offer this voluntary program to families prenatally or immediately after a child's birth, supporting families for up to three years. voluntary home visiting program, offering support and education to families who are expecting or parenting newborns. HFO utilizes a strength-based, family-centered approach that respects and values the unique cultural and individual differences of each family. HFO serves an estimated 1,800 families annually.
- The 16 regional early learning hubs throughout the state are intended to meet the same goals shared by the Early Learning Council and DELC. Hubs strive to achieve these goals by aligning and coordinating early learning services to meet the needs of families within their community and by administering state-funded programs ensuring young children and their families are successful. This system of partnerships ensures early learning services, including enrollment across services, are coordinated regionally.

## Operations

As a new agency, DELC continues to examine its organizational structure and assess needs as program functions evolve. In 2023-25, DELC implemented a new database for Healthy Families Oregon and an Awards Management System for making grant payments to early learning grantees. Both systems have ongoing operations and maintenance costs that are funded in the Governor's budget. In 2025-27, with the help of an IT vendor, DELC will also implement a new Provider Management Platform for managing ERDC subsidy payments and child care licensing. ERDC providers are currently paid via a mainframe system managed by ODHS. The new system will be largely funded with Federal Funds, but also requires additional staffing support to reconcile payments and provide project implementation quality control. The new system will be responsible for approximately a half billion dollars in payments to small and large ERDC providers. The Governor's budget includes funding for 27 additional positions from CSL to enhance operational capacity in human resources, accounting, compliance, and positions to support quality assurance in the early learning system.

The Operations budget is \$72.7 million General Fund, \$144.2 million total funds and includes 384 positions (376.37 FTE). The total budget for Operations increases \$6.6 million or 4.8 percent compared to LAB.

# HUMAN SERVICES

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Program Area and Agency Information





# HUMAN SERVICES AGENCIES

## Human Services Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$7,652,833,388	\$11,710,725,941	\$13,611,138,239
Lottery Funds	18,685,848	29,624,256	42,788,778
Other Funds	10,850,795,138	11,540,834,645	12,937,617,208
Federal Funds	25,435,022,032	28,546,895,149	32,057,235,727
Other Funds (Nonlimited)	25,661,390	40,000,000	40,000,000
Federal Funds (Nonlimited)	4,868,803,524	3,784,597,178	3,500,006,536
Total Funds	\$48,851,801,320	\$55,652,677,169	\$62,188,786,488
Positions	15,894	17,153	17,555
Full-time Equivalent	15,472.82	16,682.57	17,034.36

### OVERVIEW

The Human Services Program Area includes the Oregon Health Authority, the Oregon Department of Human Services (ODHS), the Psychiatric Security Review Board, the Oregon Commission for the Blind, and the Long-Term Care Ombudsman agencies. These agencies serve the needs of Oregonians through physical health, mental health and addiction treatment, public health, employment and family support services that promote self-sufficiency and economic stability, child protective services for abused or neglected children, and long-term care services for Oregon's seniors and people with intellectual and development disabilities.

### GOVERNOR'S BUDGET AND KEY INVESTMENTS

The Governor's budget for the Human Services Program Area agencies is \$62,188.8 million total funds, including \$13,611.1 million General Fund. This is an 11.7 percent total funds increase from the 2023-25 Legislatively Approved Budget (LAB) and represents a 16.2 percent increase in General Fund from the 2023-25 LAB. The Governor's budget maintains services for core programs while focusing on protecting Oregon's most vulnerable, making significant investments in behavioral health, protecting children at risk of harm, strengthening the Oregon State Hospital, and protecting people with disabilities. Key elements of the Governor's budget include:

**Behavioral Health.** The Governor's budget builds on the significant investments made in behavioral health infrastructure and services in the past two biennia. This includes an additional \$100.0 million into behavioral health facilities and \$24.3 million into behavioral health workforce. The budget includes investments in harm reduction, suicide prevention and youth mental health services. Investments were also made in jail deflection and diversion services to maintain one-time programs funded through House

Bill 4002 (2024). Finally, the budget includes an investment in expanding the Certified Community Behavioral Health Center program statewide.

**Oregon State Hospital Stabilization.** The Governor's budget supports current operations and includes a series of targeted investments designed to stabilize operations and improve services to the hospital's Aid and Assist, Civil Commitment, and Guilty Except for Insanity patients. The budget includes investments to ensure that hospital operations and services comply with orders from the Centers for Medicare and Medicaid Services (CMS) and Mink-Bowman court rulings. The investments will improve patient service and safety, increase staffing to reduce workload, improve campus security, and help patients access targeted wraparound services so they are successful as they exit the hospital.

**Youth Experiencing Homelessness Program.** This budget provides additional ongoing funding for the Youth Experiencing Homelessness Program (YEHP) to continue building on progress from investments made in the 2023-25 biennium. YEHP coordinates statewide service planning to support youth who are experiencing homelessness. A one-time investment in 2023-25 allowed YEHP to more than double the number of localities served and triple the number of YEHP providers. The Governor's budget sustains YEHP's current local presence while also expanding its core services into unserved and underserved communities around the state, allowing more young people to access the supports they need to disrupt the cycle of homelessness and move toward permanent housing stability. The budget also includes an investment to continue and expand direct cash transfer initiatives to help more young people surmount financial barriers and secure stable housing.

**Strengthening the Child Welfare System.** The Governor's Budget includes several investments to strengthen the Child Welfare system. Staffing investments are proposed to allow individuals involved in the Child Welfare System to maximize Supplemental Security Income benefits, to enhance contract administration and oversight across the field delivery system to ensure child safety, to continue FOCUS program expansion efforts, and to implement Family First Prevention Services. The budget also backfills Federal Funds set to expire for Family First Prevention Services, promotes housing stability for child welfare involved clients through increase rates for Independent Living Program providers, and includes funding for temporary lodging prevention through innovative placements.

**Protecting Adults and People with Disability.** The Governor's budget continues both Aging and People with Disabilities (APD) and Intellectual and Developmental Disabilities (I/DD) programs' focus on prevention and community-based care as an ongoing priority. ODHS plays a significant role in the safety and wellbeing of many vulnerable Oregonians and there must be a sustained focus and prioritization in adequately staffing safety related positions in ADP and I/DD. Investments in regulatory staffing for both programs are prioritized to ensure Oregonian's served by these systems remain safe and receive the appropriate level of care. This includes additional operations funding to implement the new CMS access rule, which has a critical focus on Home and Community Based Services. Additional funding is also included to amend the Adult Foster Home rate methodology for APD to enhance transparency for service recipients and compensate providers for serving some of the system's most medically complex clients.

## Commission for the Blind

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$5,977,652	\$8,429,871	\$9,161,859
Lottery Funds	0	0	0
Other Funds	580,046	1,140,387	1,147,421
Federal Funds	18,638,377	19,299,483	22,116,930
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$25,196,075	\$28,869,741	\$32,426,210
Positions	67	67	68
Full-time Equivalent	66.38	67.00	67.75

### OVERVIEW

The Commission for the Blind (OCB) was established in 1937 to serve Oregon's citizens who experience vision loss and need specialized training and support to live full and productive lives. The Commission includes seven members appointed by the Governor, four of which must be Oregonians who are legally blind. The other members represent employers, labor, optometrists, ophthalmologists, or educators of the blind. Programs provide vocational rehabilitation, independent living services, vendor management training, and assistance for licensed managers who are blind.

### GOVERNOR'S BUDGET

The Governor's budget for OCB is \$32.4 million total funds. This is a 12.3 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes 68 positions, which represents an increase of one position from the 2023-25 LAB. The Governor's budget supports the reclassification of 19 positions and the addition of one Rehabilitation Specialist to the agency's Independent Living Program. The new position will allow the agency to serve an estimated 136 additional clients, which represents an approximately 12.5 percent increase in capacity.

### REVENUE SUMMARY

The Commission for the Blind is largely funded with Federal Funds, primarily from the U.S. Department of Education, matched at a rate of 78.7 percent for basic vocational rehabilitation support and as high as 90 percent for in-service training and independent living. General Fund and certain Other Funds are used to meet the federal maintenance of effort and matching requirements. Other Funds revenue sources include business enterprise vendor assessments.

## **AGENCY PROGRAMS**

### **Administrative Services**

The Administrative Services program unit provides leadership, fiscal services, and data processing to support the direct service operations in the agency's other four program units. It includes the director's office, which supports the Commission and is responsible for strategic planning and direction. It also supports liaison activities with various stakeholders including the vision-impaired community, policymakers, federal officials, partner businesses, and social support agencies. The Governor's budget for this program is \$6.9 million total funds and 20 positions.

### **Rehabilitative Services**

The primary function of the Rehabilitation Services program is to develop and support Oregonians with vision loss to help achieve successful employment outcomes. The vocational rehabilitation activities support the development of a dynamic, resilient workforce by helping Oregonians who are blind gain and retain employment. The Rehabilitation Services program unit also operates a Summer Work Experience Program for pre-employment transition students to gain work skills and provide an opportunity for students to have an independent living experience. The Governor's budget for this program is \$15.9 million total funds and includes 23 positions.

### **Business Enterprises**

The Business Enterprises program trains, licenses, and supports individuals who are legally blind in operating food service and vending in public buildings. This program is operated under the federal Randolph-Shepherd Act. The program contracts with public agencies and then sub-contracts with licensed managers who are blind to provide services desired by facilities. Licensed blind managers run the day-to-day operations and retain most of the profits they generate. The budget for this program is \$2.2 million total funds and includes five positions.

### **Orientation Center for the Blind**

The Orientation and Career Center for the Blind provides skills training for newly blind adults to remain as independent as possible. Assessment and training include adaptive technology, adjustment to blindness, Braille reading and writing, low vision aids and techniques, orientation, and mobility. The Governor's budget supports current operations and includes \$4.1 million total funds and 10 positions.

### **Independent Living Services**

The Independent Living Services program provides training and resources to individuals who are blind so they can live life fully independent and continue to be active in their community. The staff in the Independent Living Services program teaches Oregonians who are blind or visually impaired, the skills they need to live safely and independently. The Governor's budget supports current operations and includes \$3.3 million total funds and 10 positions.

## Department of Human Services

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$4,403,113,388	\$6,057,272,145	\$7,354,596,113
Lottery Funds	0	0	0
Other Funds	847,413,070	1,182,596,085	1,303,312,537
Federal Funds	7,883,531,296	8,772,935,477	10,453,525,671
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	4,793,396,288	3,681,868,127	3,381,868,127
Total Funds	\$17,927,454,042	\$19,694,671,834	\$22,493,302,448
Positions	10,448	11,282	11,413
Full-time Equivalent	10,268.08	10,960.24	10,930.88

### OVERVIEW

The mission of the Oregon Department of Human Services (ODHS) is to help Oregonians in their own communities achieve safety, well-being and independence through services that protect, empower, respect choice, and preserve dignity. The Department is responsible for the care of some of Oregon's most vulnerable children, families, people with intellectual and developmental disabilities, older adults, and individuals with physical disabilities. Additionally, the Department is responsible for serving Oregonians at times when they are most in need – when they have experienced abuse, when they are hungry, when they are homeless, or after a disaster. Finally, the Department makes eligibility determinations for a variety of programs, including the Oregon Health Plan, which impacts approximately one in three Oregonians.

### GOVERNOR'S BUDGET

The Governor's budget for the Department is \$22,493.3 million total funds, including \$7,354.6 million General Fund and 11,413 positions. This is a 14.2 percent total funds increase and a 21.4 percent General Fund increase from the 2023-25 Legislatively Approved Budget (LAB). This budget maintains existing programs providing services for Oregonians and families in need, while making targeted investments to support Child Welfare services, Adult Foster Homes within Aging and People with Disabilities (APD), increased access for individuals with behavioral health conditions within the APD system, the JOBS Participation Incentive program, Youth Experiencing Homelessness Program, strengthening safety, and improving regulatory oversight.

The Governor's budget recognizes that the focus of ODHS should be on effective, efficient, and equitable implementation of current services, enhancing workplace support for existing workforces and delivering on the core functions of the agency. The agency is instrumental in the implementation of a variety of

benefits for Oregonians and there must be a continued focus on easing the burden for Oregonians accessing services and support for employees so that they can better deliver the services.

In Child Welfare, the Governor's budget maintains funding for core services and adds General Fund for innovative placements to limit temporary lodging, staffing support for additional contract oversight, staffing to support FOCUS expansion, backfills expiring Federal Funds that support Family First Prevention Services, increases funding for independent living provider rates, and provides staffing support to ensure individuals involved in the Child Welfare System are able to maximize Supplemental Security Income benefits. The Department must focus on removing as many barriers as possible for families and address the needed system changes in the years ahead as dictated by legal settlements. The Governor's Budget puts Child Welfare on a path to delivering on such goals.

The budget recognizes that ODHS plays a significant role in the safety and wellbeing of many vulnerable Oregonians and there must be a sustained focus and prioritization in adequately staffing APD and Intellectual and Developmental Disabilities (I/DD). Investments in regulatory staffing for both programs are prioritized to ensure Oregonians served by these systems remain safe and receive the appropriate level of care. This includes additional operations funding to implement the new Centers for Medicare & Medicaid Services (CMS) access rule which has a critical focus on Home and Community Based Services (HCBS). The budget also includes funding for maintenance and operations of the Central Abuse Management System, as well as funding to enhance IT security and incident response.

The Department must focus on removing as many barriers as possible in the eligibility determination process so Oregonians who qualify for coverage are able to maintain it. The Governor's Budget prioritizes investments enabling the Oregon Eligibility Partnership (OEP) division to perform timely eligibility determinations by including a \$20.0 million total funds investment to cover the cost of new federal fees for utilizing a federal services data hub, OpenScape call center support and funding to support the ONE mobile application. The budget also includes a targeted investment to simplify the Supplemental Nutrition Assistance Program (SNAP) application process for elderly clients and to continue transitioning pay and benefit systems off a mainframe platform to a cloud-based environment through the mainframe modernization project.

With the establishment of the Office of Resiliency and Emergency Management (OREM), the Department has taken an increasingly prominent role in responding to disasters, such as wildfire response efforts. The budget includes funding for critical IT systems OREM relies upon to provide critical supports to disaster survivors, including emergency feeding, sheltering and case management services. The budget also includes ongoing funding for water delivery, which allows access to safe drinking water in parts of the state impacted by drought or other contamination issues.

The Governor's budget continues both APD and I/DD programs' focus on prevention and community-based care as an ongoing priority. Additional funding is included to amend the Adult Foster Home rate methodology to enhance transparency for service recipients and compensate providers for serving some of the system's most medically complex clients. The Governor's budget maintains statutorily required rates for nursing homes and recognizes that Adult Foster Homes in APD have been an outlier in



being historically underfunded and lacks an appropriate rate methodology. Adult Foster Homes provide critical housing support for older Oregonians; ensuring these supports are stabilized and access is maintained and is critical for our long-term care system. Within APD, the budget funds higher costs per case in areas impacted by rapid inflation, such as nursing facilities, and continues funding for rate increases that occurred in 2023-25. The budget also funds growing caseloads within APD and I/DD, along with additional General Fund needed as a result in changes in the Federal Medicaid Assistance Percentage (FMAP) rate, which is projected to decrease for Oregon. The changes in caseload and available Federal Medicaid matching funds within APD and I/DD resulted in a combined increase of \$780.1 million General Fund. This includes adjustments from the Fall 2024 caseload forecast, which are funded in the Governor's Recommended Budget. The provider rate and wage study was still being analyzed at the time of budget development, but it may inform Legislative considerations concerning rates for providers.

Although not shown in the Department's budget, the Governor's budget includes \$75 million through a Special Purpose Appropriation in the Emergency Fund for Personal Support Workers and Home Care Workers in APD and I/DD. This investment will provide funding for better wages for the workforce serving APD and I/DD clients. The budget also includes continued funding the Healthier Oregon Program (HOP). HOP is a General Fund only program that expands the number of individuals eligible for Oregon Health Plan benefits, long-term services and supports for the aging population, and supports to people with physical or developmental disabilities, irrespective of their immigration status.

## REVENUE SUMMARY

The federal government is a major partner in funding Human Services programs. Over 61 percent of the Department's budget (including SNAP payments) is federally funded. As a result, the state's ability to provide program services is greatly influenced by Federal Funds availability and by the rules guiding the use of those funds. In addition, the rate of federal revenue matching for many programs is tied to the FMAP rate, which changes annually and is not controlled by state policy. This greatly impacts the amount of General Fund needed to maintain programs. The standard FMAP rate will decrease from 59.32 percent in 2023-25 to 58.05 percent next biennium. There is an additional change to the FMAP adjustment - the expiration of the enhanced public health emergency (PHE) FMAP rate that was in effect for part of the 2023-25 biennium. The combined impact from the change in the standard FMAP and the expiration of the enhanced PHE FMAP results in a need for an additional \$193.6 million General Fund in 2025-27.

## AGENCY PROGRAMS

### Child Welfare Programs

Within Child Welfare, the Department has the following main program units:

- Child Safety services are provided to children reported to be neglected or abused or under threat of harm as well as to families who are impacted by abuse dynamics, typically substance abuse and domestic violence. The Department is required by statute to assess reports of alleged child abuse or neglect, complete comprehensive safety assessments of children, assess parent or caregiver capacity to protect, and determine whether child abuse or neglect has occurred. The Program



provides protective and social services.

- Child and Family Well Being also known as the Foster Care Program, is designed as a critical safety net for children with immediate safety needs for their basic care. Family foster care homes and behavioral rehabilitation services foster care are the primary service elements. Residential Care is provided by private agencies in residential or therapeutic foster care settings for children who cannot live in a family setting. Providers are reimbursed for the cost of a child's room and board, clothing, school supplies, and personal incidentals; medical, dental, and mental health services are also provided for children in the state's custody through the Oregon Health Plan. The independent living services program provides some services to help with the transition out of the foster care system. This program operates 24 hours a day, seven days a week to accept and care for children. The Governor's budget includes an additional \$4.1 million General Fund for independent living services rate increases.
- The Permanency Program (adoption) provides assistance to children in foster care to help achieve permanent living placements for children in the child welfare system who cannot return home, including subsidy payments to help remove financial barriers to adoption or guardianship for special needs children.
- Child Welfare Program Delivery and Design is the field structure that supports the safety of children across Oregon who are abused or neglected. In calendar year 2023, there were 164,517 contacts made to the Oregon Child Abuse Hotline (ORCAH), including 93,951 reports of child abuse or neglect. For Federal Fiscal Year 2023, there was a total of 7,282 children spent at least one day in foster care. The program finalized 530 adoptions in 2023, creating a permanent family for children who could not safely return to their parents or family of origin. The Governor's budget invests in improving contract administration and oversight across the field delivery system to ensure child safety.

The 2025-27 Governor's budget is \$1,910.0 million total funds (\$1,197.4 million General Fund). The budget maintains funding for core services and staffing and invests General Fund to establish a contracting oversight team, staffing for FOCUS expansion, backfills expiring Federal Funds for Family First Prevention Services, includes additional funding for independent living program rate increases, supports a new investment for temporary lodging prevention innovative placements, and provides staffing support to ensure child welfare involved clients receive Social Security benefits. The budget funds 3,612 positions.

### **Self-Sufficiency**

Self-Sufficiency programs provide assistance to Oregon families with low income to create stability and prepare participants for employment so they are better equipped to move out of poverty. The major programs in this area are:

- Supplemental Nutrition Assistance Program (SNAP);
- Temporary Assistance for Needy Families (TANF) and TANF related programs;
- Employment Related Day Care (provider payments only);
- Refugee Program; and
- Youth Services.

The Department administers these programs through coordination and collaboration with families and individuals, as well as community partners and through direct services provided by state staff. Field staff

provides program services and benefits to people through more than 100 field and branch offices throughout the state. SNAP and TANF provide an economic lift and access to nutritious foods for households struggling due to low income. Also, the SNAP Employment and Training program assists people in gaining skills to improve their employment prospects, which adds to the diversity and strength of Oregon's workforce.

The program is primarily supported by Federal Funds; however, it also has General Fund and some Other Funds. The primary source of Other Funds is federal Childcare and Development Fund dollars and General Fund transferred from the Department of Early Learning and Care for the ERDC program. SNAP benefits are the single largest source and use of Federal Funds in the Self-Sufficiency programs. SNAP benefits are projected at \$3,381.9 million for the 2025-27 biennium.

At \$4,869.7 million total funds (\$349.8 million General Fund), the Governor's budget maintains current eligibility, timelines, and benefit standards for Self-Sufficiency programs. Caseload increases for General Fund only programs according to the Fall 2024 caseload forecast are funded in the Governor's budget. As part of the Governor's Housing Initiative, the budget includes a \$19.7 million General Fund investment for the Youth Experiencing Homelessness Program. This investment continues one-time investments funded in 2023-25 LAB. The budget also includes funding for SNAP elderly simplified application process and an increase to the JOBS Incentive Payment benefit to \$35 per month. This nutritional benefit allows families receiving the benefit to be counted as part of the state's federally required TANF work participation rate. The budget funds 999 positions within Self-Sufficiency.

### **Vocational Rehabilitation Services**

Vocational Rehabilitation (VR) Services assists Oregonians with disabilities to achieve and maintain employment and independence. VR helps Oregonians with disabilities gain employment through a variety of services. VR employees provide direct services through a network of local offices across Oregon and partners with and supports Tribal VR programs in several areas of the state.

The Governor's budget adds positions to ensure compliance with federal regulations to ensure Oregon continues to receive federal revenue for VR programs. General Fund supports 28 percent of this budget; Other Funds, seven percent; and Federal Funds, 65 percent. Section 110 of the Rehabilitation Act of 1973 (Basic 110 Grant) provides federal support for vocational rehabilitative services. This grant is distributed to states based upon population and per capita income. Rehabilitative services revenue also includes federal Rehabilitation Act funds for Supported Employment and staff training and for Independent Living Rehabilitation. The 2025-27 Governor's budget is \$160.5 million total funds (\$44.9 million General Fund) and funds 286 positions.

### **Oregon Eligibility Partnership**

The Oregon Eligibility Partnership (OEP) division performs eligibility determinations for multiple programs administered through the Oregon Health Authority, ODHS and Department of Early Learning and Care, including the Oregon Health Plan (OHP), TANF, SNAP, HOP, and ERDC programs. The purpose of the Division is to streamline systems maintenance, workforce planning and training, communications with staff and providers, and to ensure greater transparency and fiscal control of eligibility work

throughout the department. The division was created in 2023-25, primarily by transferring the eligibility-related positions and budget from the SSP and the APD divisions, along with the Office of Integrated Eligibility budget, and staffing from the Central Services division.

This budget is supported with 47 percent General Fund, one percent Other Funds, and 52 percent Federal Funds. The revenue supporting eligibility-related work is based on braided funding from a variety of sources, including federal grants. General Fund investments were made to support access to the Federal Data Hub, which provides necessary data for eligibility determinations, as well as Central Abuse Management system operations and maintenance, mainframe modernization and the SNAP elderly application simplification. The 2025-27 Governor's budget is \$952.3 million total funds (\$444.9 million General Fund) and funds 2,659 positions.

### **Aging and People with Disabilities**

The Aging and People with Disabilities (APD) program assists a diverse population of older adults and people with disabilities to achieve well-being through opportunities for community living, employment, family support and services to promote independence, choice and dignity. APD focuses serving individuals in the community through in-home and community-based services.

Within APD, moving from the constrained demand during the pandemic led to an increase in caseloads, as more consumers are now willing to enter long-term care settings. The costs related to the complexity of patient acuity within the caseload continue to increase due to rate increases, some of which are required by statute based on provider costs. Although not shown in the Department's budget, the Governor's budget also includes an investment to the Special Purpose Appropriation for Personal Support Workers and Home Care Workers in APD and I/DD. This investment will provide funding for better wages for the workforce serving APD and I/DD clients.

The 2025-27 Governor's budget for the APD program is \$6,959.3 million total funds, a 31.3 percent increase from the 2023-25 LAB. The budget funds 1,619 positions. The increase is primarily due to increases in caseload and changes in cost per case. A one-time use of Provider Tax in 2023-25 and changes in the standard and PHE FMAP have also increased the need for additional General Fund. Within APD, General Fund increases \$649.9 million, or 36.9 percent, above the 2023-25 LAB.

The budget includes funding for additional staffing to ensure compliance with the new CMS Access rule and support its implementation. The budget also includes funds for positions to enable review for newly licensed or changed ownership community-based care facilities. The budget reallocates Quality Care Fund resources to support provider workforce training and Safety, Oversight and Quality operations. The budget also reallocates mental health funding to enhance access to long term services and support for individuals with behavioral health conditions.

## **Intellectual/Developmental Disabilities**

The Intellectual/Developmental Disabilities (I/DD) program provides services to cover a lifetime of support to Oregonians with intellectual/developmental disabilities. I/DD's mission is to help individuals be fully engaged in life and, at the same time, address critical health and safety needs. The program supports individuals with intellectual and developmental disabilities and their families within communities by promoting and providing services that are person-centered, self-directed, flexible, community inclusive, and culturally appropriate. The state, counties, brokerages, providers, families, and self-advocates are all critical parts of Oregon's Developmental Disabilities service system focusing on individuals with I/DD living in the community and having the best quality of life at any age.

Oregon home and community-based services for people with I/DD are provided under several Medicaid authorities including Community First Choice Option, also known as the K-Plan; and five federal 1915c waiver programs. Supports provided under the K-Plan are services such as attendant services supporting individuals in accomplishing Activities of Daily Living and Instrumental Activities of Daily Living, relief care, behavioral support services, transportation, environmental modifications, and assistive technology and devices. By moving most services to the K-Plan, most of the caps on services and limits on eligibility for services for those with I/DD were removed based on federal requirements to gain a six percent increased federal participation rate in those programs.

The Stabilization and Crisis Unit (SACU) within I/DD serves as a safety net resource for individuals with no other option for a residential bed, due to significant intellectual and developmental disability or mental health challenges. This includes people with developmental disabilities coming out of crisis situations, including hospitals, correctional systems, and private providers who cannot meet the needs of the individual to ensure their health and safety.

The Governor's budget accepts partial reductions in year two for operating SACU, signaling that the Department must begin work immediately with self-advocates, consumers, labor partners, providers and developmental disability coalition members to right size SACU and bring operations back to its intended purpose – short term stabilization. With consumers residing in SACU homes for over 5.5 years, the Department and coalition must work to develop strategies to serve as a true short-term stabilization program supporting individuals with stepping down into community-based supports.

Additionally, the Governor's budget focuses on improving licensing and audit oversight of developmental disability providers through centralization. The budget allocates funding for positions across three critical areas: to review newly licensed or changed ownership community-based care facilities and homes within 120 days, ensuring safety and regulatory compliance; to implement and sustain compliance with the new CMS Access rule; and to build infrastructure that supports equity initiatives and strengthens government-to-government relationships with Oregon Tribes and improves system navigation for Tribal members.

The 2057-27 Governor's budget for the I/DD program is \$6,370.6 million total funds, a 17.21 percent increase from the 2023-25 LAB. The increase is primarily due to increases in caseload and cost per case, including greater utilization for In-Home Agency support. The General Fund budget was also impacted by

changes in the standard and PHE FMAP. General Fund increases \$387.8 million, or 19.9 percent, compared to 2023-25 LAB. The budget funds 1,048 positions (660.20 FTE), a 32.6 percent decrease in FTE compared to 2023-25 LAB. The reduction to FTE is due to the proposed partial closure of SACU, which resulted in a reduction of 372.42 FTE.

### **Central Services**

Central Services includes functions directly related to policy and programs in the Department. Central Services includes: the Office of the Director and Policy including the Chief of Staff, Tribal Affairs, the Deputy Director, the Office of the Chief Financial Officer, and the Office of the Chief Administrative Officer. Central Services also includes the Office of Equity and Multicultural Services, the Office of Human Resources, the department's Budget, Planning, and Analysis Office, the Public Affairs Office, and the Office of Resiliency and Emergency Management, among others. These offices provide essential business supports to programs within the department.

The 2025-27 Governor's Budget for Central Services is \$181.2 million total funds, an 8.2 percent decrease from the 2023-25 LAB. The decrease is due to the phase out of one-time investments in resilience hubs, water delivery and warming and cooling shelter supports. The budget includes a General Fund investment in the Office of Resiliency and Emergency Management to support critical IT systems that facilitate disaster response and provide a base level of funding for water delivery. The budget funds 388 positions.

### **Shared Services**

A number of support functions, including information technology, financial services, budget, facilities, and procurement are designated as Shared Services. Some of these functions are housed in the Oregon Health Authority (OHA) and some in the Oregon Department of Human Services, but all shared services units support both agencies. The two agencies developed a joint governance model under which service-level agreements define the relationship between the agency providing the service and the Agency receiving the service. Shared Services funding is all Other Funds, based on revenues received from other parts of the Department and OHA for purchased services.

The Department's Shared Services budget includes Shared Services Administration, which includes the following: Office of Forecasting, Research and Analysis; Office of Financial Services; the Background Check Unit; Office of Facilities Management; Office of Contracts and Procurement, and others. Funding for Shared Services is included in the Shared Services Special Payments portion of the Statewide and Enterprise-wide Costs budget. The Governor's budget includes funding for 10 positions to support office and worker safety across the approximately 170 properties in operation throughout the state, mainframe modernization staffing support and an accounting position to reconcile ACH transfers for benefit payments for child welfare involved clients. The 2025-27 Governor's Budget is \$233.2 million Other Funds and supports 802 positions.

**Statewide Assessments and Enterprise-wide Costs (SAEC)**

The budget for Statewide Assessments and Enterprise-wide Costs (SAEC) contains statewide assessments including various Department of Administrative Services' assessments/charges (e.g., Risk Management, Chief Financial Office, Chief Human Resource Office), Central Government Services Charges, Oregon State Library, and Secretary of State audits. It also includes the budgets for rent, debt service, and computer replacements. The budget includes the funding for Shared Services, which are made through a Special Payment to Shared Services to cover Shared Services costs (including General Fund, Other Funds, and Federal Funds). The budget includes funding for office and worker safety positions in Shared Services as well as security contract funding. The budget also includes funding for mainframe modernization, IT security and Shared Services position-funding support. The 2025-27 Governor's Budget for SAEC is \$856.5 million total funds, an 11.8 percent increase from the 2023-25 LAB. The General Fund budget increases 15.6 percent from LAB.



## Oregon Health Authority

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$3,229,382,026	\$5,626,518,070	\$6,225,920,768
Lottery Funds	18,685,848	29,624,256	42,788,778
Other Funds	10,001,913,037	10,355,539,826	11,631,812,721
Federal Funds	17,532,852,359	19,754,660,189	21,581,593,126
Other Funds (Nonlimited)	25,661,390	40,000,000	40,000,000
Federal Funds (Nonlimited)	75,407,236	102,729,051	118,138,409
Total Funds	\$30,883,901,896	\$35,909,071,392	\$39,640,253,802
Positions	5,331	5,750	6,020
Full-time Equivalent	5,090.86	5,604.33	5,982.23

### OVERVIEW

The Oregon Health Authority (OHA) serves Oregonians through the following programs: the Oregon Health Plan, Non-Medicaid Behavioral Health, Oregon State Hospital, Public Health, Health Policy and Analytics, Public Employees' Benefit Board (PEBB), and the Oregon Educators Benefit Board (OEBB). Through these programs, the OHA budget directly impacts a significant portion of Oregon's population:

- Approximately 1.7 million individuals receive health care coverage through the Oregon Health Plan, the Oregon Health Insurance Marketplace, PEBB and OEBB;
- Over 50,000 Oregonians receive behavioral health support and treatment services through local community mental health and substance use disorder programs;
- Approximately 600 individuals at a time receive 24-hour psychiatric care through the Oregon State Hospital system; and
- Every Oregonian benefits from disease prevention and wellness services provided by the Public Health Division.

### GOVERNOR'S BUDGET

The 2025-27 Governor's budget for OHA totals \$39,640.3 million, which represents a 10.4 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The General Fund budget is \$6,225.9 million and represents a 10.7 percent increase from the 2023-25 LAB. The budget supports 6,020 positions.

The Governor's budget for OHA sustains core programs providing critical health coverage, deepens the state's commitments to improving behavioral health services for Oregonians, and invests in stabilizing the Oregon State Hospital.



## Behavioral Health Investments

The Governor's budget maintains and builds on the significant investments made in behavioral health in the 2021-23 and 2023-25 biennia. Investments in 2025-27 focused on building out additional residential facilities, strengthening the behavioral health workforce, and investing in youth services and harm reduction:

- *Behavioral Health Facility Investments* - \$90.0 million General Fund for adult mental health and substance use disorder facilities and \$10.0 million General Fund for children's psychiatric residential treatment and substance use disorder capacity.
- *Workforce Incentives* - \$24.2 million General Fund to increase Oregon's behavioral health workforce and to continue to recruit and retain diverse health care providers and attract providers in underserved areas.
- *Harm Reduction Clearinghouse* - \$10 million General Fund and \$20 million from recent opioid settlements to continue support of the harm reduction clearinghouse to reduce preventable deaths associated with opioid use.
- *Civil Commitment and Jail Diversion Services* - \$19.6 million General Fund to continue investments in jail diversion and deflection services from the 2023-25 biennium and to continue a team at OHA to improve civil commitment services.
- *Youth Services* - \$7.0 million General Fund for community behavioral health and substance use disorder treatment for youth and \$7.0 million General Fund to enhance school-based mental health services.

## Stabilizing the Oregon State Hospital

The Oregon State Hospital (OSH) serves patients that fall into one of three categories: Aid and Assist, Guilty Except for Insanity, and Civil Commitment. Over the past three biennia, OSH has faced significant legal, programmatic, and budgetary issues. One factor driving operational changes is due to the growing Aid and Assist population, which has doubled over the past eight years following the Mink-Bowman court orders. For OSH to comply with these orders, OSH has implemented strategies to retain a stable workforce to meet patient needs. These include recruiting additional staff with specific skills to meet patient needs, providing incentive pay to employees to work shifts that would have remained unfilled, and adopting new enhanced retirement benefits for OSH employees approved in House Bill 4045 (2024) which go into effect in 2030.

Earlier this year, the Centers for Medicare and Medicaid Services (CMS) identified several operational deficiencies at OSH specific to patient safety and health, and campus security. OSH leadership implemented a series of targeted actions over the past four months designed to resolve those deficiencies. CMS conducted a series of surveys this fall to determine if OSH's corrective action plan sufficiently resolved the issues flagged earlier this year. CMS approved OSH's corrective action plan. As a result of corrective action plan, OSH retains the ability to bill Medicaid for patient services.

Given these dynamics and the need to support critical operations at the Oregon State Hospital, the Governor's budget includes targeted investments to achieve the following:

- *Grow and Retain a Strong Workforce* - \$12.2 million General Fund to hire 136 Mental Health Technicians and reclassify four positions to Registered Nurses to meet patient needs.

- *Comply with CMS decisions and Mink-Bowman orders* - \$34.2 million General Fund to implement plans responding to CMS findings and Mink-Bowman court orders. The Governor's budget includes investments that:
  - *Improve Patient Safety* - \$21.8 million General Fund for additional staffing to ensure patients are safe in OSH facilities.
  - *Improve Service to Patients* - \$3.7 million General Fund to purchase a new patient vitals monitoring system and hire four forensic evaluators to determine a patient's readiness for community restoration.
  - *Improve Campus Security* - \$5.8 million General Fund to acquire a new security system to screen all staff and visitors for contraband.
  - *Support Patient Success Upon Exiting OSH* - \$6.4 million General Fund is proposed to provide services for Aid & Assist patients as they prepare to exit OSH. This includes \$2.9 million General Fund is for community benefit navigators and \$3.5 million General Fund is in the Governor's budget for Oregon Housing and Community Services to provide housing assistance for Aid & Assist patients exiting OSH. These investments are part of an updated plan to comply with the recent Mink-Bowman order.

## **Medicaid Financing**

Oregon's Medicaid system is jointly funded by the state and federal government. The Medicaid program leverages assessments on hospitals and insurers as a source of state matching funds to draw down federal funding. These provider assessments were scheduled to sunset during 2025-27. These sunsets, when coupled with increased program costs, would create a significant funding shortfall for the Medicaid program. The Governor's budget recommends several strategies to strengthen and sustain Oregon's Medicaid program. The budget renews existing provider assessments at their current rates but makes an administrative change to how the hospital assessment is calculated to maximize federal revenue to Oregon's healthcare system within existing federal rules.

The budget also includes a series of targeted investments through Medicaid to strengthen Oregon's hospital system, including a \$35.0 million General Fund increase in hospital maternity rates, a \$4.0 million General Fund increase in graduate medical education funding, a \$25.0 million General Fund increase in the Disproportionate Share Hospital supplemental payment program, and a \$10.4 million General Fund investment to address federal compliance issues in the Behavioral Rehabilitation Services program. The budget maintains the quality incentive pool for Oregon's coordinated care organizations at 3.5 percent. The Governor's budget identifies savings across the Medicaid program by reducing Medicaid fee for service inflation and ensuring the state's Medicaid program is not overpaying for out of state hospital services.

## **REVENUE SUMMARY**

OHA programs are supported by multiple revenue sources including General Fund, Lottery Funds, dedicated taxes, licenses, fees, federal matching funds for Medicaid, federal payments for the Basic Health Plan, charges for service, and grants. Many OHA programs rely on a combination of several

funding sources. The Governor's budget for OHA includes a proposal to renew the hospital and insurer provider taxes that support a significant portion of the Medicaid program. Included in that renewal is an administrative change to align with full federal program guidance, allowing the state to broaden the base of revenues on which the hospital assessment is calculated to maximize federal revenues. The budget also includes a legislative proposal to modernize Oregon's existing tobacco products assessment, bringing synthetic tobacco products into the program, bringing in additional revenue to fund Medicaid, tobacco prevention, and the General Fund.

## **AGENCY PROGRAMS**

### **Medicaid Division**

OHA is responsible for administering Oregon's Medicaid program, which provides medical coverage for approximately 1.4 million low-income adults, children, and people with disabilities. Most Medicaid coverage in the state is provided through the Oregon Health Plan (OHP). For members, OHP offers comprehensive health care coverage, including medical, dental, vision, mental health, physical and occupational therapy, and prescription drugs, among other services, without cost to the person covered. The Medicaid program also includes coverage through the Children's Health Insurance Program, Basic Health Plan, Healthier Oregon Program, none of which are technically Medicaid, but which cover very similar services for most enrollees.

Health coverage has been a significant focus for both the Governor and the Legislature over the past few biennia and has resulted in a record number of Oregonians receiving health care coverage in the state. This focus over several biennia resulted in the creation of the Healthier Oregon Program to provide Medicaid-like coverage to adults who would be eligible except for their immigration status; the creation of the Basic Health Plan, which provides Medicaid-like coverage to those between 138 percent and 200 percent of the federal poverty level; continuous eligibility for Medicaid for those under six; two-year continuous eligibility for those over six; and process changes and investments in the post-pandemic redeterminations process to make maintaining health coverage easier. The Medicaid Division is funded primarily with Federal Funds. OHA must match Federal Funds for most programs in the Medicaid Division with state resources. This includes state General Fund as well as Other Funds revenues such as health care provider assessments, taxes on insurers, tobacco taxes, Tobacco Master Settlement Agreement funds, prescription drug rebates, and other revenues.

The Governor's budget for Medicaid totals \$29,629.0 million and the General Fund budget is \$3,722.9 million. Investments in the Governor's budget include investments in expanding Medicaid benefits to incarcerated individuals, expanding behavioral rehabilitation services to all who are eligible, increasing hospital maternity rates, increasing graduate medical education expenditures, and increasing state funding for the Disproportionate Share Hospital supplemental payment program.

### **Behavioral Health Division**

The Behavioral Health Division (BHD) is responsible for developing and maintaining a statewide system of integrated behavioral health care. Its mission is to support individuals, families, and communities to

heal and thrive through a community-led, culturally responsive, evidence-based approach prioritizing advocacy, prevention, and access to quality, affordable behavioral health care.

BHD programs support critical elements in Oregon's community behavioral health system serving as the safety net for all Oregonians regardless of health care coverage. Services are provided through county, tribal, and non-governmental community mental health and alcohol, drug and gambling treatment services providers. These services and supports are delivered in outpatient, residential, school, hospital, justice, and other community settings.

Behavioral health has been a significant area of focus for both the Governor and the Legislature over the past several biennia, including funding for the 9-8-8 crisis line and mobile response services, Certified Community Behavioral Health Clinics, residential facilities expansion, investments in workforce expansion and retention, Measure 110 behavioral health resource networks, enhanced services in counties for clients on Aid and Assist orders or under civil commitments, enhanced substance use disorder services through a waiver agreement with the federal government, and other service expansions.

The Governor's budget for Behavioral Health totals \$1,640.6 million and the General Fund budget is \$732.4 million. Investments in the Governor's budget includes investments in behavioral health facilities, behavioral health workforce, statewide expansion of the Certified Community Behavioral Health Center program, harm reduction services, jail diversion and deflection services, and investments in community behavioral health and substance use disorder treatment for youth.

### **Health Policy and Analytics**

Health Policy and Analytics (HPA) Division provides policy support, technical assistance, and access to health information statistics and tools to all organizations and providers participating in Oregon's health system transformation. The key functions of HPA are Delivery Systems Innovation; Health Policy; Health Analytics, Health Information Technology and Analytics Infrastructure, Business Operations; Health Insurance Marketplace; and PEBB and OEBB, which are operationally situated in HPA but have separate budget structures.

The Governor's budget for HPA totals \$288.8 million, which represents an 8.4 percent increase from the 2023-25 LAB. The General Fund budget is \$91.3 million, which represents a 17.7 percent decrease from 2023-25, largely due to one-time investments in Medicaid redeterminations and Basic Health Plan enrollment support phasing out. Investments in the Governor's budget include General Fund to support the Healthcare Market Oversight program, support for the state-based health insurance marketplace project, and support to continue a project to replace and combine the benefits management systems used by PEBB and OEBB.

**Public Employees' Benefit Board (PEBB)**

PEBB designs, contracts for, and administers health plans, group insurance policies, and flexible spending accounts for state and university employees and their dependents, which includes approximately 140,000 Oregonians. In 2006, PEBB moved toward self-insurance, which gives the board more flexibility in plan design to meet specific goals and contributes to the board's success in keeping premium increases low.

The PEBB budget is funded entirely with Other Funds revenue from premiums collected for insured individuals, a significant portion of which comes from General Fund resources paid by other state agencies for their premium costs. Consistent with the state's strategy for transforming health care and bending the cost curve, PEBB holds annual growth in per member costs to 3.4 percent. The Governor's budget for PEBB is \$2,742.6 million, which represents a 10.2 percent increase from the 2023-25 LAB and maintains current operations.

**Oregon Educators Benefit Board (OEBB)**

OEBB designs and administers medical, dental, vision, and other benefits for approximately 150,000 employees, retirees, and their family members in Oregon's K-12 school districts, education service districts, and community colleges. Other local governments became eligible to join the OEBB benefits program effective in 2014 and currently include three rural counties and three special districts. OEBB designs and maintains a full range of benefit plans for eligible and participating entities to offer to their employees and early retirees. OEBB's goal is to provide high-quality benefits for its members at the lowest possible cost and to work collaboratively with members, entities, and insurance carriers to further advance health care. As with PEBB and the Oregon Health Plan, OEBB limits annual premium increases to no more than 3.4 percent per member per year.

The OEBB budget is funded entirely by Other Funds revenue from members' premium payments. The Governor's budget for OEBB is \$2,169.0 million, which represents an 8.7 percent increase from the 2023-25 LAB and maintains current operations.

**Public Health Division**

The Public Health Division administers statewide programs that protect the public health by working to prevent the leading causes of death, disease and injury. Public Health's programs complement OHA's health care programs by focusing on prevention and helping reduce the need for more costly services. Oregon's public health system includes federal, state, counties and local agencies, private organizations, and numerous other partners. Public Health operates some programs directly and funds and coordinates other programs through local public health authorities across the state.

Public Health is organized into four sections:

- Office of the State Public Health Director - provides scientific, fiscal, communications, and policy leadership to Public Health programs.
- Center for Health Protection - protects the health of individuals and communities by regulating the use of radioactive materials, drinking water services, health care providers, and multiple health-related professions, as well as protecting against a range of environmental health hazards. It also

oversees the Oregon Medical Marijuana Program.

- Center for Prevention and Public Health Promotion - helps communities and residents achieve and sustain lifelong health, wellness, and safety. This includes prevention of chronic disease, child developmental delays, injuries and unsafe relationships, and physical and behavioral problems.
- Center for Public Health Practice - prevents and controls diseases, monitors population health information, and ensures emergency public health services in natural and human-caused disasters.

Public Health is funded primarily through federal funds, including over 100 grants categorically dedicated to specific programs, such as emergency and hospital preparedness, cancer prevention and control, and safe drinking water. Public Health also collects Other Funds through various fee-based programs, including newborn screening tests, licensing of hospital and inpatient care facilities, registration and inspection of x-ray equipment, testing and certification of emergency medical technicians, registration of medical marijuana cardholders, growers and dispensaries, and fees for issuing certified vital records. Nonlimited Federal Funds support the Women, Infants and Children nutrition program. The main programs funded with General Fund at 2025-27 current service level budget are support to local public health authorities, School Based Health Centers, Contraceptive Care, and the Universally Offered Home Visiting Program.

The General Fund in the Governor's budget for Public Health is \$276.2 million, which represents a 5.7 percent increase from 2023-25. The total funds budget is \$1,246.0 million which represents a 19.0 percent decrease from the 2023-25 LAB, largely the result of one-time funds to support vaccination and pandemic response efforts in 2023-25. The budget includes support for a modest increase to funding for Public Health modernization efforts, continues the state's priority response to drinking water contamination in the Lower Umatilla Basin, and invests resources to support patient navigation for critical reproductive health care and reserves \$2.5 million in emergency funding should federal reproductive health program funding decline.

### **Oregon State Hospital**

The Oregon State Hospital (OSH) serves as an integral part of the statewide behavioral health system by providing inpatient psychiatric care for adults at OSH's Salem and Junction City campuses. The hospital's primary goal is to help people recover from their mental illness and return to life in their communities. OSH's campuses have the capacity to serve up to 742 individuals, with 592 beds in Salem, 150 beds in Junction City, and 16 beds at a secure residential treatment facility in Pendleton. OSH services include 24-hour on-site nursing, psychiatric treatment, pharmacy, laboratory, food and nutritional services, and vocational and educational services. State Hospital patients are predominantly referred through the criminal justice system, with the Aid and Assist population more than doubling over the past eight years. As a result of these trends, the hospital is serving higher acuity patients which requires a shift in operations, including but not limited to staffing and skill mix of staff, to continue to provide high quality care to a changing patient population. The investments in the Governor's budget support this transition to ensure that OSH continues to provide high quality care to Oregonians.

The 2025-27 Governor's Budget for OSH totals \$1,025.9 million, which represents a 20.5 percent increase from the 2023-25 LAB. The Governor's budget makes new investments to sustainably staff



OSH as a 24/7 facility. To do this, the budget increases total worker capacity within the hospital, establishes dedicated services for Native and indigenous patients, and funds plans to ensure that OSH is in compliance with both CMS findings and Mink-Bowman court rulings.

### Central Services

Central Services provides the leadership and business support to achieve the agency's mission including its strategic goal of eliminating health inequities by 2030. This budget structure supports the following functions:

- Director's Office – responsible for the overall leadership, policy development, and administrative oversight for the agency.
- External Relations Division – responsible for building strong relationships with the public, member support teams, Ombudsperson, media, legislature, and other agencies at the state and federal levels.
- Agency Operations – provides operational support and human resources services to OHA.
- Tribal Affairs – maintains a trusting and respectful relationship with Oregon's nine federally recognized Tribes, supporting Tribal Health programs and the Urban Indian Health Program.
- Fiscal Operations – develops, coordinates, executes, and monitors OHA's budget. The Division works to integrate policy, strategy, and budget with a focus on the impact of funding across OHA.
- Office of Equity and Inclusion – works to eliminate health care inequities and to promote optimal health in Oregon for all.

Central Services is funded based on a federally approved cost allocation plan where programs are charged for the services they use. The Governor's budget for Central Services totals \$165.6 million, which represents a 16.6 percent increase from the 2023-25 LAB. Investments in the Governor's budget include increased staffing for the Office of Equity and Inclusion, increased staffing and contracts for the traditional healthcare worker program, and expansion of the Regional Health Equity Coalition program.

### Shared Services

Shared Services supports certain business functions for both the Oregon Department of Human Services (ODHS) and OHA under a joint governance agreement. Shared Services contains the Office of Information Services (OIS) and the Information Security and Privacy Office. OIS provides information technology systems and services for staff at numerous locations across the state. The Information Security and Privacy Office provides information security services by using business risk-management practices to protect confidential information and educating staff and agency partners on how to protect this information and report incidents when they occur.

Shared Services is funded entirely by Other Funds transferred from different OHA and ODHS programs through a federally approved cost allocation plan. The 2025-27 Governor's Budget for Shared Services totals \$288.9 million, which represents a 14.6 percent increase from the 2023-25 LAB and includes an investment to replace the OHA's mainframe payment system and to support the creation of state-based health insurance marketplace technology platform.



**State Assessments and Enterprise-wide Costs**

State Assessments and Enterprise-wide Costs (SAEC) is the budget structure for payments to the Department of Administrative Services (DAS) and third parties for goods and services serving all of OHA. These include rent, state data center charges, DAS risk assessment, state government service charges, unemployment assessments, mass transit taxes, computer replacement, and debt service.

SAEC is funded based on cost allocation statistics to determine the distribution of expenditures and the revenue distribution by General Fund, Other Funds, and Federal Funds. The Governor's budget for SAEC totals \$441.2 million, which represents a 13.7 percent increase from the 2023-25 LAB. The General Fund budget is \$310.1 million, which represents a 12.9 percent increase from the 2023-25 LAB. Increased investments for the division include debt service and cost of issuance for new bond projects at OSH, the shared service cost for an IT project to replace the Department's mainframe system, and the shared service cost for privacy and IT security staff.

**Capital Construction**

The Capital Construction Division accounts for capital construction projects at OSH. The Capital Construction Division is funded with the sales of bond proceeds during the 2025-27 biennium at \$2.7 million Other Funds, a 66.6 percent decrease from the 2023-25 LAB, the result of one-time funding for projects which will be completed in 2023-25. The Governor's budget funds projects at OSH to replace the public address (PA) system, add office space to the Salem campus and to address other deferred maintenance on the Salem and Junction City campuses.

## Long Term Care Ombudsman

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$10,603,753	\$13,833,416	\$16,201,351
Lottery Funds	0	0	0
Other Funds	888,985	1,558,347	1,344,529
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$11,492,738	\$15,391,763	\$17,545,880
Positions	36	41	41
Full-time Equivalent	35.50	38.00	40.50

### OVERVIEW

Oregon's Long Term Care Ombudsman's (LTCO) mission is to protect individual rights, promote independence, and ensure quality of life for Oregonians living in long-term care and residential facilities and for Oregonians with decisional limitations. The Long Term Care Ombudsman program coordinates a network of trained and certified volunteer ombudsmen who regularly visit long-term care residents and monitor the facilities in which they reside. As the volunteers receive complaints, they investigate and work to resolve them within the facility or, in the case of abuse, they refer the complaint to the local adult protective services office for investigation. LTCO professional staff provides technical support and training for the volunteers. The staff also monitors facilities and responds to complex resident problems.

In addition to long-term care facilities, LTCO established the Residential Facilities Ombudsman Program (RFO) in 2014. RFO staff provides advocacy for persons with intellectual/developmental disabilities and a mental health diagnosis living in licensed community residential facilities. A limited number of volunteers engage in complaint investigation, resolution, rights education and advocacy for improvements in resident care and quality of life. LTCO also provides public guardian and conservator services for persons lacking the financial resources to obtain a private guardian or conservator and who do not have relatives or friends willing or able to serve as guardians and conservators. The Oregon Public Guardian program (OPG) serves adults in need of guardian and conservator services, who have no resources to obtain these services in the private sector nor any other individuals who can serve in this capacity.

### GOVERNOR'S BUDGET

The Governor's budget for LTCO maintains stable funding for core services and provides ongoing investments in the OPG program due to significant growth to continue to address increased demands

effectively and sustain expanded services. The budget is \$17.5 million total funds and includes resources to support 41 positions (40.50 FTE).

## **REVENUE SUMMARY**

The agency's main source of revenue is General Fund. The Other Funds portion of the budget comes from civil penalties and fines levied against licensed programs serving individuals with intellectual and developmental disabilities and individuals with a mental health diagnosis, which are dedicated to the RFO program. The agency's remaining Other Funds reflect the pass-through of a portion of the Senior Medicare Patrol grant and Older Americans Act funds from the Oregon Department of Human Services.

## **AGENCY PROGRAMS**

### **Long Term Care Ombudsman**

The Long Term Care Ombudsman program, mandated by the Federal Older Americans Act, serves long-term care facility residents through complaint investigation, resolution, and advocacy for improvement in resident care. Program staff works with a statewide network of approximately 150 volunteers who work in communities in which they live. The RFO program works to address the needs of residents of care facilities who have mental illness, intellectual or developmental disabilities. The budget for this program is \$9.6 million total funds and supports 24 positions. The budget recognizes rent savings.

### **Oregon Public Guardian and Conservator Program**

The Oregon Public Guardian (OPG) program serves as a court appointed, surrogate decision maker for adult's incapable of making some or most decisions about their persons and affairs, who have no one else to serve as their guardian or conservator and have no less restrictive or costly options. Those in need of OPG services include people with age related neurocognitive issues, persons with serious and persistent mental health issues and persons with intellectual/developmental disabilities. The Public Guardian (as ordered by a court) is responsible for developing individual care plans for these clients. The OPG program serves as a fiduciary, responsible for estate health, placement, fiscal and legal issues on behalf of clients. The OPG program was expanded in 2024 due to an increased demand for services, which included the addition of six limited duration positions, allowing LTCO to serve more vulnerable Oregonians in need of assistance. The budget makes the limited duration positions permanent to ensure ongoing service availability. The budget for this program is \$7.9 million total funds and supports 17 positions.

## Psychiatric Security Review Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$3,756,569	\$4,672,439	\$5,258,148
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$3,756,569	\$4,672,439	\$5,258,148
Positions	12	13	13
Full-time Equivalent	12.00	13.00	13.00

### OVERVIEW

The Psychiatric Security Review Board (PSRB) works to protect the public by supervising people who are found guilty except for insanity in criminal defense proceedings or who are civilly committed and under the jurisdiction of PSRB. The Board monitors individuals under its jurisdiction, ensures protection for the public, holds hearings, helps clients safely reintegrate into communities, and communicates with crime victims. The Board administers a process to review and possibly restore ownership rights for individuals who had their right to own a firearm removed due to a mental health determination and also conducts risk-based evaluations of sex offenders.

PSRB partners with other agencies to ensure people under its jurisdiction receive the necessary services and support to reduce the risk of future dangerous behavior. Treatment decisions for adults and juveniles under PSRB's supervision are made by separate five-member boards with expertise related to each age group.

### GOVERNOR'S BUDGET

The Governor's budget for the Psychiatric Security Review Board is \$5.3 million total funds and includes 13 positions, which represents a 12.5 percent increase from the 2023-25 Legislatively Approved Budget. Funding was added to support the agency's transition to an upgraded case management system. This system will improve the agency's ability to monitor the status of patients after exiting treatment facilities.

### REVENUE SUMMARY

The Board's sole source of revenue is General Fund.

# PUBLIC SAFETY

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Program Area and Agency Information



## PUBLIC SAFETY AGENCIES

### Public Safety Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$2,703,402,991	\$4,290,699,035	\$4,884,497,366
Lottery Funds	10,270,563	10,354,918	12,467,453
Other Funds	2,192,523,489	1,353,002,794	1,328,449,231
Federal Funds	1,066,512,269	1,538,648,459	1,616,186,280
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$5,972,709,312	\$7,192,705,206	\$7,841,600,330
Positions	9,852	10,012	10,378
Full-time Equivalent	9,493.27	9,800.35	10,140.94

#### OVERVIEW

The agencies within the Public Safety program area are responsible for ensuring the safety of Oregon's people, property, and natural resources. Oregon's public safety agencies serve the people of Oregon through the work of:

- Training public safety professionals, investigating and prosecuting crimes;
- Providing legal representation to financially eligible individuals;
- Preparing for and responding to emergencies, natural disasters, and wildfires;
- Housing and providing services for juveniles and adults convicted of crimes;
- Providing re-entry and re-integration services for individuals released from custody;
- Setting and enforcing the conditions of probation, parole, and post-prison supervision for individuals; and
- Collecting, analyzing and disseminating data to inform public policy decision making on criminal justice.

#### GOVERNOR'S BUDGET AND KEY INVESTMENTS

The 2025-27 Governor's budget for the Public Safety agencies is \$7,841.6 million total funds, a 9.0 percent increase from the 2023-25 Legislatively Approved Budget. A portion of this increase is due to the Oregon Public Defense Commission move to the Executive Branch on January 1, 2025, as required by Senate Bill 337 (2023).



The Governor's budget includes funding for ongoing operations while making investments in programs that reduce recidivism, divert people from the prison system, and reintegrate people into their communities. In addition, it addresses the need for the state to prepare for natural disasters through additional funding for emergency management and wildfire planning and response efforts. The budget also makes investments to reduce traffic fatalities and respond to the opioid crisis.

### **Law Enforcement**

During the 2025-27 biennium, the Governor's budget provides for the following:

- Funding to the Department of Public Safety, Standards and Training to implement a new learning management system and to increase agency staffing. It also provides funds to plan updates to the agency's facilities.
- Enables the Board of Parole and Post-Prison Supervision to modernize the Parole Management Information System, which will increase information security, allow for better customer service, and provide enhanced functionality.
- Additional funding to the Department of Justice for regulatory defense, civil rights enforcement, and response to violations of hate and bias crimes. It also invests in a Special Prosecutor, which will focus on legal work related to indigenous missing and murdered persons.
- Support of two projects initiated by Oregon State Police (OSP) during the 2023-25 biennium.
  - The first program provides additional troopers to establish a full-time High Visibility Enforcement Unit, which will use a regionally based, data-led approach to reduce traffic fatalities by focusing on traffic safety priorities while also supporting efforts to reduce drug smuggling, human trafficking, and other agency priorities.
  - The second program, which will begin in early 2025 as a pilot, will create a team of detectives focused on investigating drug overdose deaths with the goal of holding those responsible for supplying deadly drugs, such as fentanyl, accountable for their crimes.

### **Public Defense**

The State of Oregon has long recognized the role of government in publicly funding trial attorneys for defendants who cannot afford an attorney. In 2001, the Oregon legislature merged all responsibility for providing the right to counsel in both the state trial and appellate courts into the Public Defense Services Commission, known today as the Oregon Public Defense Commission (OPDC), which is transferred to the Executive Branch effective January 2025.

The 2025-27 Governor's Budget provides funding to:

- Strengthen the state's public defender workforce throughout the next decade, in alignment with Senate Bill 337 (2023), and support a sustainable statewide public defense system.
- Update the state's case management system and extend the Temporary Hourly Increase Program to continue addressing the unrepresented persons crisis.

**Adult Corrections, the Oregon Youth Authority, and the Criminal Justice Commission**

The safety of Oregonians is enhanced by the reduction of crime through incarceration and rehabilitation of individuals interacting with the public safety system. The Governor's budget continues to invest in evidence-based programs to reduce recidivism and divert adults who are in custody from prison, while also providing resources to address needed repairs and upgrades to facilities. The budget includes investments in the following:

- Allocates funding to the Criminal Justice Commission for the Restorative Justice Grant program. Previously given one-time funding, this program is intended to create programs that focus on the rehabilitation of individuals through reconciliation with victims and with their communities. It also continues the Justice Reinvestment Equity Program, which provides grants to culturally specific organizations through the Northwest Health Foundation. Finally, the budget supports the Governor's Behavioral Health Initiative through continued investments in the Behavioral Health Deflection Program and the Jail-Based Medication for Opioid Disorder Grant Program.
- The Department of Corrections (DOC) budget supports priority actions from the Gender Informed Policy Assessment (GIPA), including five body scanners. The goal of these GIPA investments is to better align operational practices at Coffee Creek Correctional Facility, Oregon's only women's prison, with gender-responsive, trauma-informed, and research-based practices. The budget also supports the Governor's Behavioral Health Initiative through investments to improve housing outcomes for adults in custody.
- Provides funding for the Oregon Youth Authority (OYA) to further support interpretation services, strengthen re-entry services for youth leaving OYA's custody, and increases staffing at MacLaren Youth Correctional Facility. It also provides bond funding for continuation of renovation and renewal projects at facilities throughout the state, updated CCTV systems, and the completion of the Juvenile Justice Information System IT modernization project.

**Emergency Preparedness**

The 2025-27 Governor's Budget provides funding for: The Office of Emergency Management (OEM) to lead collaborative state-wide emergency mitigation, preparedness and response efforts, inclusive of all partners and the communities they serve. The budget makes critical investments to strengthen OEM's ability to support statewide emergency operations and, notably, prepare for the transfer of the Oregon Emergency Response System from OSP on July 1, 2026.

- The Oregon Military Department to assist with natural disasters, emergencies, and overseas deployments. The Governor's budget provides necessary state funding to continue the Oregon Youth Challenge Program, a National Guard high school program for at-risk youth and establishes a re-enlistment bonus program to support retention efforts for the Oregon National Guard.
- The Department of the State Fire Marshal to address the increased and ongoing needs related to wildfire seasons by investing funds for upstaffing grants, prepositioning and mobilization efforts, and establishing an office in southern Oregon. It also makes a significant investment in the State Fire Marshal Mobilization Fund for costs associated with responding to conflagrations declared by the Governor.

## Department of Corrections

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$1,068,533,490	\$2,259,508,999	\$2,637,627,314
Lottery Funds	0	0	0
Other Funds	1,091,576,379	171,417,659	132,569,983
Federal Funds	5,810,000	2,029,649	2,167,665
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,165,919,869	\$2,432,956,307	\$2,772,364,962
Positions	4,810	4,813	4,971
Full-time Equivalent	4,702.11	4,749.53	4,856.99

### OVERVIEW

The Department of Corrections (DOC) manages adults in custody for felony offenses who are sentenced to more than 12 months of incarceration by the courts. The Department is responsible for the security, housing, care, and treatment of Oregon's adults in custody and for utilizing all available resources to reduce recidivism and transition adults in custody back into their communities as good neighbors. The Department is comprised of nine program areas collectively designed to provide operations of Oregon's correctional facilities, health care services for those in custody, administration of the agency, facilities maintenance, and support and partnership for community corrections, among other functions.

### GOVERNOR'S BUDGET

The Governor's budget for DOC is \$2,772.4 million total funds and 4,971 positions. This represents a 14.0 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget largely supports current programs and services while making a few key investments to meet need.

The Governor's budget proposes:

- Investments to support the strategies to address recommendations made in the Gender Informed Practices Assessment, including positions to align with gender-responsive and trauma-informed practices and five body scanners for Coffee Creek Correctional Facility, Oregon's only women's prison.
- Funding to address increased costs informed by the Community Corrections Cost study;
- Support for costs associated with DUI incarceration in county jails and DOC's Diversity, Equity and Inclusion efforts;
- Support for information technology modernization and maintenance, such as the replacement of the Institutional Staff Deployment System, the ongoing costs the new Electronic Health Records system and continued updates to the DOC's wireless infrastructure;

- Investments to continue to address the deferred maintenance and capital renewal of DOC's facilities;
- Planning funds to study the development of a Geriatric Campus and upgrades or replacement of the Oregon State Penitentiary; and
- Investments to improve Adult in Custody housing outcomes and reentry to provide additional services regarding adequate housing upon release from DOC institutions statewide.

## **REVENUE SUMMARY**

The General Fund makes up approximately 95 percent of the Department's revenue. Other Funds come primarily from adult in custody work crews and sales programs, commissary purchases, and bond proceeds for capital projects. Less than one percent of revenue is Federal Funds stemming from a variety of grants, such as the Big Machines grant.

## **AGENCY PROGRAMS**

### **Operations**

The Operations Division is responsible for the overall security, housing, and population management of Oregon's adults in custody for felony offenses, sentenced to more than 12 months of incarceration. It provides a safe, secure environment for adults in custody and staff to perform their duties and hold adults in custody accountable for their actions while reducing the risk of future criminal behavior. The Department reports approximately 93 percent of adults in custody will eventually return to the community and division staff work with the Community Corrections Division and the Parole Board to prepare release plans for each adult in custody, increasing their chances of success as they transition back into the community. The primary cost driver for the division is staffing.

The Governor's budget provides \$1,248.5 million total funds and 3,378 positions for the Operations Division. This represents an 11.2 percent increase from the 2023-25 LAB.

### **Central Administration**

Central Administration includes the Director's Office and Deputy Director's Office, Chief Financial Office, Research and Projects, Internal Audits, Inspector General, Diversity and Inclusion, Communications, and Department overhead, which includes agency-wide assessments and state government service charges. The Division provides leadership for DOC and participation in statewide public safety initiatives. The Division's largest unit – the Inspector General's Office – oversees management of high-risk adults in custody, investigates suspected wrongdoing and conducts disciplinary hearings. A focus for Central Administration continues to be enhancing administrative effectiveness and accountability and strengthening internal and external communication. The Governor's budget provides \$244.3 million total funds and 263 positions for the Central Administration Division. This represents a 57.0 percent increase from the 2023-25 LAB, driven by cost increases to Services and Supplies and statewide assessments as well as internal reallocation of budgeted funds.

## **Administrative Services**

Administrative Services provides services that are fundamental to the day-to-day operations of the Department. Services are provided directly to the employees, adults in custody, volunteers, community corrections, and other partner agencies. The Division provides information technology services, facility services, human resources, and distribution services. The Governor's budget provides \$94.9 million total funds and 199 positions for the Administrative Services Division, which represents an 18.9 percent decrease from the 2023-25 LAB. This is due largely to an internal reallocation of budgeted funds.

## **Community Corrections**

The Community Corrections Division is responsible for providing supervision, services, and sanctions to about 21,000 individuals in Oregon's communities. This includes adults sentenced to probation for felony offenses, those who have been released to parole or post-prison supervision, and adults sentenced to 12 months or less in prison to be served at the county level. Community Corrections supervision, services, and sanctions are provided directly by the Department in Linn and Douglas Counties and indirectly by counties through intergovernmental agreements with the Department in the remaining 34 counties.

The probation and parole officers identify criminal risk factors and tailor case management plans to address them, mitigating the chances of an adult in custody engaging in future criminal activity. The Community Corrections agencies provide correctional programs, such as alcohol and drug treatment, sex offender treatment, employment counseling, and mental health services in order to promote long-term behavior change. Research has demonstrated treatment combined with supervision has the greatest impact on reducing criminal activity.

The Governor's budget supports continuing current services and additional funding related to the Community Corrections Cost Study and DUI incarceration in county jails, with \$370.4 million total funds and 75 positions for the Community Corrections Division. This reflects a 22.5 percent increase from the 2023-25 LAB. This increase is due largely to an increase in caseloads and in funding to partially support the findings of the statutorily mandated Actual Cost Study performed every six years.

## **Health Services**

The Health Services Division provides legally mandated medical, dental, mental health, and pharmacy services to over 20,000 adults in custody in Oregon's prisons. To accomplish this task effectively and efficiently, the Department uses a managed care model emphasizing patient education, a limited benefit package, on-site primary care with coordinated care and management of diseases, controlled access to specialists and specialist procedures, a restricted pharmacy medication formulary, controlled utilization, utilization review, and claims review. The Division maintains a team of professionals that includes physicians, nurse practitioners, physician assistants, registered nurses, dentists, psychiatrists, mental health specialists, pharmacists, and other licensed staff.

The Governor's budget provides \$496.7 million total funds and 715 positions for the Health Services Division. This is an increase of approximately 8.4 percent over the 2023-25 LAB.

## **Correctional Services**

The Correctional Services Division is responsible for carrying out the Department's mission to reduce the risk of future criminal conduct. The program includes intake processing, management of offender records, sentence computation, custody level classification, coordination of transfers between institutions, alcohol and drug treatment, cognitive behavioral treatment, parenting, education, apprenticeship and work skills, religious services, victim services, volunteer services, transition programs and release planning. The Division targets resources to adults in custody with a moderate to high risk of recidivating using evidence-based practices in a multidisciplinary case management approach from admission to release. The Governor's budget provides \$139.3 million total funds and 341 positions for the Correctional Services Division. This is an increase of approximately 44.3 percent over the 2023-25 LAB, driven primarily by an internal reallocation of budgeted funds.

## **Debt Service**

The Debt Service program provides funding to repay principal and interest on funds borrowed through the sale of bonds. Proceeds generated by the sales of bonds are used to construct and improve correctional facilities. The Governor's budget provides \$92.1 million total funds for the Debt Service Division.

## **Capital Improvements**

The Capital Improvements program includes funding for those projects that change, adapt, or replace the use or function of a facility or reconfiguration of a program workspace. The Department is responsible for maintaining 353 owned buildings and over 5.5 million square feet of building space. The estimated current replacement value is estimated at \$2.6 billion. Funding for capital improvements will allow the Department to perform only the most critical and immediate protection activities on its real property assets. The Governor's budget provides \$3.3 million General Fund, which is the only fund source supporting the Capital Improvements Division.

## **Capital Construction**

The Capital Construction program contains funding for the purchase of land, buildings, support systems, and equipment and information technology-related projects. New building and equipment and deferred maintenance projects are included in the Capital Construction program. Capital Construction also incorporates those major projects or activities whose aggregate cost will equal or exceed \$1.0 million. The Governor's budget provides \$82.9 million Other Funds, supported by bond proceeds, for the Capital Construction program.



## Criminal Justice Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$121,868,436	\$139,468,384	\$154,337,177
Lottery Funds	460,935	603,177	628,510
Other Funds	43,003,134	61,348,502	65,421,869
Federal Funds	6,244,004	13,375,225	15,086,681
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$171,576,509	\$214,795,288	\$235,474,237
Positions	27	35	37
Full-time Equivalent	24.77	32.00	37.00

### OVERVIEW

The Oregon Criminal Justice Commission (CJC) is a nine-member body that serves as a centralized and impartial forum for statewide public safety policy development, planning and agency coordination. The commission staff collects and analyzes crime and sentencing data and develops estimates of the impact of crime-related legislation and initiatives on the criminal justice system. The commission also develops state criminal justice policy and Oregon's long-range comprehensive public safety plan.

CJC analyzes data to determine the optimal balance of incarceration, treatment and program provision, and post-release supervision to maximize the value of Oregon's criminal justice investment. The Commission strives to make the criminal justice system effective and efficient in preventing crime by analyzing outcomes from the use of incarceration and services with the aim of reducing recidivism. Toward this goal, CJC evaluates sentencing policy and prospective sentencing practices.

The Commission manages the state's Justice Reinvestment Initiative (JRI) grant program, which provides funding to local criminal justice systems to control prison growth, reduce recidivism, increase public safety, and increase offender accountability. Additionally, the Commission has several other responsibilities:

- *Sentencing Guidelines* – CJC administers Oregon's sentencing guidelines, which establish sentences for felony crimes committed on or after November 1, 1989. The Commission provides analysis and data to agencies, the Legislature, and the public; assists local Public Safety Coordinating Councils; and adopts rules established for sentencing felony crimes. Specific goals of the Commission include prioritizing prison space, enhancing truth in sentencing, providing sentence uniformity and maintaining a sentencing policy consistent with correctional capacity.
- *Statistical Analysis* – The Statistical Analysis Center provides the state with objective criminal justice research and data analysis; with a mission to provide, promote, and maintain reliable and valid criminal justice system data. The Statistical Analysis Center has access to arrest, charge, and



conviction data used to develop policy recommendations and make informed decisions.

- *State Administering Agency* – In 2009, CJC was appointed the state administering agency for Bureau of Justice assistance grants from the federal government.
- *Specialty Court Grant Program* – CJC administers grants for specialty courts designed to serve non-violent felony offenders with substance use disorders. These courts use an integrated, systematic approach to reduce drug abuse and recidivism while increasing public safety and supporting family reunification.
- *Asset Forfeiture* – Established in 1989, the Asset Forfeiture Oversight Advisory Committee collects data on asset forfeiture in Oregon and makes recommendations to the Legislature on modifications of statutory authority. Since 1997, CJC has provided staff support for the committee. Funds from asset forfeiture are available for CJC to distribute to drug courts.
- *Juvenile Justice Policy Commission* - CJC administers and staffs the Juvenile Justice Policy Commission, established in House Bill 2320 (2023). The goal of the Commission is to provide a forum for statewide juvenile justice policy and planning.
- *Illegal Marijuana Market Enforcement Grant* – Created in 2018, this program provides funds to assist local governments with addressing unlawful marijuana cultivation or distribution operations.

## GOVERNOR'S BUDGET

The Governor's budget for CJC provides \$235.5 million total funds, including \$154.3 million General Fund and supports 37 positions. This reflects a 9.6 percent increase of total funds as well as two positions from the 2023-25 Legislatively Approved Budget. The budget provides ongoing funding for the Restorative Justice Grant Program into the 2025-27 biennium with grant funding to provide public and private entities financial support to create programs using a lens of restorative justice. It also provides funding to continue the Justice Reinvestment Equity Program, which provides grants to culturally specific organizations through the Northwest Health Foundation. The budget supports the Governor's Behavioral Health Initiative through continued investments in the Behavioral Health Deflection Program and the Jail-Based Medication for Opioid Disorder Grant Program.

## REVENUE SUMMARY

CJC receives General Fund to support a number of positions, as well as associated expenditures for agency operations. However, the majority of General Fund dollars are passed through to counties for specialty courts and Justice Reinvestment grants and other one-time grant programs. CJC's Other Funds are largely based on variable funding streams including civil and criminal forfeiture proceeds from the state for disbursement to specialty courts and from the Marijuana Tax Fund to support the Illegal Marijuana Market Enforcement Grant Program. Additionally, CJC receives Federal Funds to administer several federal grant programs such as the Edward Byrne Memorial Justice Assistance Grant and the Byrne State Crisis Intervention Program. CJC also receives funding from the Bureau of Justice Statistics their Statistical Analysis Center and to administer several smaller grants supporting a variety of programs.

## District Attorneys and Their Deputies

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$15,304,988	\$18,463,050	\$19,596,588
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$15,304,988	\$18,463,050	\$19,596,588
Positions	36	36	36
Full-time Equivalent	36.00	36.00	36.00

### OVERVIEW

The mission of the District Attorneys and their Deputies is to uphold federal, state, and local laws, the Constitution of the State of Oregon, and the United States Constitution. There are 36 independently elected District Attorneys (DAs) in Oregon who each serve a four-year term. The DAs and their Deputies prosecute all criminal conduct that occurs in Oregon. Their legal duties include:

- Enforcing child support obligations in non-welfare cases;
- Presenting evidence at mental health fitness hearings;
- Assisting in juvenile courts;
- Ruling on public records requests;
- Providing constitutionally and statutorily mandated services to crime victims; and
- Advising local law enforcement;

### GOVERNOR'S BUDGET

The Governor's budget is \$19.6 million General Fund. This is a 6.1 percent increase from the 2023-25 Legislatively Approved Budget. The budget includes funding for the salaries of the 36 elected DAs, who are state employees. The budget also supports state government service charges to cover tort liability, other insurance related costs, and expenses associated with Grand Jury recordation.

### REVENUE SUMMARY

The DAs are funded with General Fund and their Deputies are funded through the counties in which they are employed.

## Department of Justice

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$175,815,614	\$206,488,533	\$194,599,682
Lottery Funds	0	0	0
Other Funds	381,554,282	530,805,521	533,364,744
Federal Funds	194,487,736	222,471,269	211,487,172
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$751,857,632	\$959,765,323	\$939,451,598
Positions	1,498	1,557	1,586
Full-time Equivalent	1,463.55	1,530.68	1,573.00

### OVERVIEW

The mission of the Department of Justice (DOJ) is to serve state government and support safe and healthy communities throughout Oregon by providing essential justice services. The Department is responsible for representing the state in criminal prosecutions; representing the state's interests in all civil, criminal and administrative cases on appeal; providing services to victims and victim service providers; and enhancing the well-being of children through administration of the Child Support Program.

DOJ is comprised of nine divisions as well as the Defense of Criminal Convictions program. The nine divisions are Administration, General Counsel, Civil Enforcement, Child Advocacy, Criminal Justice, Trial, Appellate, Crime Victim and Survivor Services, and Child Support.

### GOVERNOR'S BUDGET

The Governor's budget for DOJ is \$939.5 million total funds and includes 1,586 positions. This represents a 2.1 percent decrease in total funds from the 2023-25 Legislatively Approved Budget (LAB).

The Governor's budget includes one-time investments for increased capacity in the Office of the Attorney General for regulatory defense, civil rights enforcement and responding to violations of hate and bias laws. Additionally, this budget establishes a Special Prosecutor for indigenous missing and murdered persons, as well as continues assistance to victims of crimes and IT system upgrades. New investments were also made in the Trial Division to expand staffing capacity to meet increased workload demands and reduce the need to use outside counsel to litigate on behalf of the state.

The Governor's budget recognizes the important role DOJ plays in supporting and improving services for Oregonians. The Governor is committed to making state government more efficient and effective, including enhanced collaboration and coordination with the Department.

## **REVENUE SUMMARY**

The Department relies on a variety of funding sources. General Fund accounts for 20.7 percent of the budget and is devoted to public safety programs and services including: the Oregon Child Support Program; the Defense of Criminal Convictions program; crime victims' programs; law enforcement activities performed by the Criminal Justice Division; and defending Oregon's laws and Constitution.

Other Funds resources include charges to agencies for legal services, settlements, license and other fees, as well as charges and fines. Federal Funds include the federal share of the Child Support and Medicaid Fraud programs and crime victims' grants.

The Department charges state agencies an hourly rate for legal services; the Governor's budget assumes an attorney rate of \$322 per hour, which is a 17.1 percent increase from the 2023-25 rate of \$275 per hour. The rate is expected to generate a total of \$363.2 million.

## **AGENCY PROGRAMS**

### **Administration**

The Administration Division includes the Office of the Attorney General and Administrative Services. The Office of the Attorney General provides executive management, establishes the state's legal position, manages public affairs, and sets the policy direction for the Department. The Governor's budget for this program is \$78.5 million total funds and 151 positions. This represents a 6.5 percent decrease from the 2023-25 LAB. The Governor's budget includes funding and position authority to modernize the attorney billing and case management system, known as the Legal Tools Replacement project.

### **Appellate**

The Appellate Division represents the state in all cases appealed to state and federal appellate courts in which the state is a party or has a significant interest. The Division advocates on the state's behalf in court cases and influences the development of case law serving the state's long-term interests. Approximately two-thirds of the Division's cases involve appeals from criminal convictions. There are three types of challenges to criminal convictions: direct appeal, state post-conviction challenges, and federal habeas corpus challenges. One-third of the cases typically involve a challenge to actions or decisions by state officials or employees. Other responsibilities include appeals related to dependency proceedings involving neglected or abused children and preparing and defending ballot titles for initiative measures and some referenda.

The Governor's budget for this program is \$35.3 million total funds and 60 positions. This represents an 8.1 percent increase from the 2023-25 LAB and provides support of current operations.

### **Civil Enforcement**

The Civil Enforcement Division (CED) consists of five separate sections, each representing the state in seeking affirmative action or recovery of money. CED provides essential services to the public including legal assistance to the Division of Child Support in the establishment and enforcement of child support orders; regulation and oversight of all charities; enforcement of consumer protection laws; investigation

and prosecution of Medicaid fraud; and taking legal action to recover or protect the state's interest in money, real or personal property.

The Governor's budget for this program is \$81.7 million total funds and 130 positions. This represents a 7.6 percent increase from the 2023-25 LAB and supports funding of the Division's core programs.

### **Child Advocacy**

The Child Advocacy Division helps to protect children who are abused, neglected, and abandoned throughout Oregon by providing representation and comprehensive legal advice to the Oregon Department of Human Services (ODHS), Child Welfare Program. Attorneys address the needs of children in juvenile dependency court, which can often include guardianship or adoptions. Attorneys also advocate for safe placements, which are in the best interests of the child.

The Governor's budget for this program is \$95.5 million Other Funds, an 11.8 percent increase from the 2023-25 LAB, which supports 197 positions. The budget supports core business operations.

### **Criminal Justice**

The Criminal Justice Division (CJD) represents the state in criminal prosecutions at the request of a District Attorney (DA) or the Governor. CJD facilitates information sharing among law enforcement agencies, and investigates internet crimes committed against children, allegations of criminal misconduct by public officials, white-collar crimes, and organized criminal enterprises.

The Governor's budget for this Division is \$49.4 million total funds, including 95 positions. This represents a 19.1 percent increase from the 2023-25 LAB in support of the Division's core programs.

### **Crime Victim and Survivor Services**

The Crime Victim and Survivor Services Division supports the health and safety of Oregonians by serving people who have been victims and survivors of crime. The Program ensures victims of violent crime have financial assistance to address their health and safety, without having to sacrifice other essential needs.

The Division delivers grant funding to direct service providers for crime victims throughout the state, pays out compensation claims to victims of crime, collects restitution and judgments on behalf of crime victims, as well as the state of Oregon, and provides direct advocacy services to victims of crime as mandated by the Oregon Constitution and statutes.

The Governor's budget for this program is \$126.2 million total funds, including 63 positions. This represents a 35.4 percent decrease from the 2023-25 LAB primarily due to the phase out of one-time state funded grants.

### **General Counsel**

The General Counsel Division provides a full range of essential legal services to state agencies and officers to ensure state agencies operate programs according to established laws and legal precedent,

thus minimizing legal exposure and enhancing public trust through consistent interpretation of law across state agencies. The program provides oral and written legal advice, drafts or reviews contracts and other documents, represents agencies in administrative hearings, and furnishes legal opinions. Given the diverse legal needs of state agencies and the broad range of subject matter, General Counsel is organized into the following eight sections: Chief Counsel's Office, Business Activities, Government Services, Human Services and Education, Labor and Employment, Natural Resources, Tax, and Finance and Business Transactions.

The Governor's budget for this program is \$101.6 million Other Funds, including 178 positions. This represents a 2.4 percent increase from the 2023-25 LAB, which will continue to provide legal support, training, and services to state agencies.

### **Trial**

The Trial Division defends the state against lawsuits. The Division has represented the Governor, the Legislature, state agencies, as well as thousands of individual state employees who were sued for their work on behalf of the state. It also represents agencies when it is necessary for them to file contract or commercial lawsuits in furtherance of their mission. The Division is focused on developing agency-specific training to avoid future legal exposure.

The Governor's budget for this program is \$78.7 million Other Funds, including 173 positions. This represents a 21.6 percent increase from the 2023-25 LAB. The Governor's budget includes funding to expand staffing necessary to respond to increasing workload demands at a lower cost to the state – an investment, which demonstrates the Governor's commitment to improved government efficiency and effectiveness.

### **Defense of Criminal Convictions**

The Defense of Criminal Convictions program is a budget structure containing funding for work performed in the Appellate and Trial Divisions to preserve convictions and sentences obtained by the state's prosecutors, as well as to appeal adverse trial court decisions placing criminal prosecutions in jeopardy. Oregon centralizes criminal post-conviction and appellate work in DOJ to achieve consistency in the legal positions taken by the state. The Governor's budget for this program is \$46.9 million General Fund, which represents a 14.0 percent increase from the 2023-25 LAB and supports the projected mandated caseload anticipated for the 2025-27 biennium.

**Division of Child Support**

The Division of Child Support administers the Oregon Child Support Program through 13 statewide offices and 17 county district attorney offices—enhancing the wellbeing of children by assisting families with child support services. It locates parents, establishes paternity, enforces and modifies child support obligations, and receives and distributes support payments from absent parents. The Division serves families currently (or formerly) receiving Temporary Assistance for Needy Families or Medicaid services, as well as families who apply directly for child support services but who have never received public assistance. Services are provided under federal and state law. The Division manages approximately 134,000 active cases, each representing a family. Additionally, it establishes and secures medical support for children in the form of additional cash support or by enforcing health insurance enrollment through the parents' employers.

The Program is largely funded by leveraged Federal Funds, with General Fund and Other Funds providing the balance. Federal Funds match approximately 66 percent of eligible program costs to maintain the Child Support Program, as mandated under Title IV-D of the federal Social Security Act. Additionally, the Program receives an average of \$6.4 million annually in federal performance-based incentive awards. The Program projects to receive and distribute \$682.7 million in child support payments during the 2025-27 biennium.

The Governor's budget for this program is \$238.2 million total funds, including 539 positions. This represents a 0.9 percent increase from the 2023-25 LAB to support core operations.

**Debt Services and Related Costs**

The Debt Service and Related Costs program is a budget structure containing funding to make payments on principal, interest, and financing costs for Article XI-Q general obligation bond debt used to fund IT project investments within the Department.

There is one ongoing IT project in this program for Legal Tools, this is a project to replace multiple legacy technology systems with a single, streamlined billing and case management system. The Department began bond funding activities during the 2023-25 biennium with ongoing debt service payments through 2033. The Governor's budget for debt services and related costs is \$7.4 million total funds.



## Oregon Military Department

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$42,510,840	\$42,299,611	\$52,741,756
Lottery Funds	0	0	0
Other Funds	100,051,433	36,009,845	65,437,336
Federal Funds	295,092,676	174,244,198	220,000,642
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$437,654,949	\$252,553,654	\$338,179,734
Positions	568	495	509
Full-time Equivalent	478.47	456.25	471.12

### OVERVIEW

The Oregon Military Department (OMD) is responsible for the administration of the Oregon Army National Guard, the Oregon Air National Guard, and the Oregon State Defense Force. The Department has a dual mission: providing combat-ready units and equipment to be deployed in support of national defense under the direction of the President and providing trained personnel and equipment to protect life and property in Oregon during natural disasters or civil unrest under the direction of the Governor. The Department also runs the Oregon Youth Challenge Program, which serves at-risk youth who have dropped out or are not on track to graduate in traditional educational environments.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Military Department provides \$338.2 million total funds and includes 509 positions. This represents a 33.9 percent increase from 2023-25 Legislatively Approved Budget, largely due to one-time funding for Capital Construction projects. In addition to the expenditures and positions accounted for by the state's budget system, the Department houses more than \$799 million in biennial federal revenues and more than 2,166 positions under the National Guard Bureau's budget.

The Governor's budget continues key investments in the Facility Operations and Maintenance Program and the Wildland Fire Management Program. Additional investments provide bond financing to upgrade aging regional armories and to ensure facilities in critical locations can serve as essential emergency operation centers in major catastrophic seismic events or other natural disasters. Lastly, the budget supports the Retention Bonus Program to address challenges in retaining service members. The program will pay a one-time bonus to service members who reenlist for an additional four years of service.

## REVENUE SUMMARY

The largest single source of revenue for OMD is Federal Funds from cooperative agreements with the National Guard Bureau. The second-largest source of revenue is Other Funds collected from facility rental fees from the Armories, the Centralized Personnel Plan as a Federal Funds to Other Funds transfer, the Master Cooperative Agreement, property sales, and bond sale proceeds for Capital Construction projects. Additionally, the Governor's budget includes a direct allocation of state funding from the Oregon Department of Education to support the Oregon Youth Challenge Program. Finally, General Fund supports agency operations, deferred maintenance projects, debt service on major construction projects, and provides state funding to satisfy federal match requirements.

## AGENCY PROGRAMS

### Administration

The Administration Division provides leadership and support for command, control, and administration of the Oregon National Guard and the Oregon State Defense Force. This Program unit consists of the Command Group, Financial Administration Division, State Personnel Office, Public Affairs Program, Emergency Financial Assistance Program, and the Reintegration Program, and the State Information Technology Division. The Division supports roughly 2,600 state and federal employees, commands more than 6,700 soldiers and airmen, and provides oversight of over \$4 billion in facilities and equipment assets.

The Governor's budget for this program is \$26.4 million total funds, which represents a 73.4 percent increase from the 2023-25 Legislatively Approved Budget, primarily due to the establishment of a \$5 million retention bonus program to support retention efforts for the Oregon National Guard. The budget supports 37 positions. The Governor's budget continues to include funding to support increased payroll activities related to paying State Active Duty wages.

### Operations

The Operations Division includes programs to manage the acquisition, disposal, design, construction, operation, and maintenance of all Army National Guard facilities in Oregon. It also includes programs that provide air defense of the northwestern United States from northern California to the Canadian border and trains fighter pilots, flight surgeons, and weapons controllers. Other programs in this Division support law enforcement with drug interdiction efforts; fund installation of intrusion detection systems at armories and other facilities where small arms and ammunition are stored; provide federal funding for Oregon Army National Guard telecommunications systems; and provide video teleconferencing, computer, and web-based training, interactive audio and video services, e-mail and electronic network systems to National Guard members and their communities.

The Governor's budget for this program is \$173.2 million total funds, which represents a 16.8 percent increase from the 2023-25 Legislatively Approved Budget. The budget supports 371 positions and maintains core programs. The Governor's budget continues funding and positions to support the Facility Operations and Maintenance Program and Wildland Fire Management Program.

## Community Support

The Community Support Division offers educational opportunities for at-risk youth in Oregon, including:

- Oregon Youth Challenge Program (OYCP) – An education program serving at-risk students ages 16-18 who have dropped out or not on track in traditional educational environments. The students attend the OYCP residential program for 22 weeks on the Senator Jackie Winters Oregon National Guard Youth Challenge Campus in Bend, Oregon, and receive a high school diploma, a General Educational Development (GED) certification, or certified high school credits to apply for a high school diploma from their hometown school. OYCP can support approximately 240 cadets in each six-month class.
- STARBASE – An educational program demonstrating real-world applications of math and science to students impacted by inequities in third to eighth grades in Portland, Klamath Falls, and Warrington-Tillamook areas through hands-on aerospace-related classes and tours at the Portland Air Base, Kingsley Field. In the 2021-23 biennium, the program expanded to Camp Umatilla just outside Hermiston, Oregon, bringing the program's educational reach to more than 23,000 youth statewide.

The Governor's budget for the programs is \$37.3 million total funds, which represents a 15.6 percent increase from the 2023-25 Legislatively Approved Budget. The program operates with 101 positions. The Governor's budget continues to support both the OYCP and STARBASE programs. The OYCP program requires a 25 percent non-federal match. The OYCP receives State School Fund moneys as an Other Funds transfers-in from the Oregon Department of Education to cover this match requirement. Prior to the 2023-25 biennium, Average Daily Membership (ADM) revenue received through the Bend-LaPine School District was the main source of the required 25 percent state match funds. However, ADM revenue was dependent on the number of students enrolled in the OYCP, and subject to fluctuation and decreases, particularly during the pandemic when onsite classes were cancelled, causing the National Guard Bureau to disallow its use as 25 percent state matching funds at the end of the 2021-23 biennium. The 2023 Legislature authorized direct transfers from the State School Fund in Senate Bill 1034 as a more reliable funding source to meet the federal match requirement and operate the program.

## Capital Debt Service and Related Costs

The Capital Debt Service and Related Costs program provides funding for payments on principal, interest, and financing costs for Article XI-Q general obligation bond debt used to construct and upgrade agency facilities and for the acquisition of land and facilities.

The Governor's budget for this program is \$14.9 million General Fund for debt service payments. The budget maintains the funding related to ensuring facilities meet essential emergency operation facility standards and conduct Armory Service Life Extension Projects at the Salem, Woodburn, and Bend armories, in addition to funding several new facilities.

## Capital Improvements

This program provides for capital improvements to existing facilities. Capital improvements are projects with a total cost of less than \$1.0 million and address the Department's backlog of deferred

maintenance on its buildings. Typical capital improvement projects are roof, structural, HVAC system, and window and door replacement projects. These deferred maintenance projects directly affect the operational readiness of Oregon National Guard facilities used for soldier and airman training and the ability to fill extra facility space with paying tenants. The program is funded with 100 percent Federal Funds in the 2025-27 biennium. The Governor's budget maintains this program with a \$5.8 million Federal Funds expenditure limitation.

### **Capital Construction**

The Capital Construction division houses funding for planning, designing, and building all capital construction projects for the Oregon Army National Guard. The program addresses the Department's most critical facility shortfalls, either through replacing facilities no longer capable of serving the assigned units' needs, or by extending the facilities' lifespan through alterations and additions. Federal funding varies from 75 percent to 100 percent of the total project costs and typically requires state matching funds for planning, permitting, design, and environmental impacts.

The Governor's budget provides \$35.8 million in bond financing to conduct Armory Service Life Extension Projects at the Salem, Woodburn, and Bend armories, as well as the construction of a new Micro-Armory in Klamath Falls, new Linn County Readiness Center, and an athletic field at the Oregon Youth Challenge Program. Federal Funds of \$44.8 million will fund a portion of the Micro-Armory in Klamath Falls and the Linn County Readiness Center, and 100 percent of a Multipurpose Machine Gun Range in Boardman.

## Oregon Public Defense Commission

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$433,471,652	\$591,596,364	\$686,355,727
Lottery Funds	0	0	0
Other Funds	15,540,114	22,352,949	33,732,605
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$449,011,766	\$613,949,313	\$720,088,332
Positions	114	179	313
Full-time Equivalent	107.81	157.89	279.46

### OVERVIEW

The Public Defense Services Commission, known today as the Oregon Public Defense Commission (OPDC), was created by Senate Bill 145 (2001) and is responsible for establishing and maintaining a statewide public defense system. The Agency's primary responsibility is to secure public defense counsel and required legal services for eligible individuals in Oregon's trial and appellate courts.

The passage of House Bill 2003 (2021) maintained the relationship between OPDC and the Office of Public Defense Services, modified the membership and composition of OPDC, and provided specific direction on types of policies to adopt to modernize trial-level public defense services. More recently, Senate Bill 337 (2023) directed the transition of OPDC from the Judicial Branch to the Executive Branch on January 1, 2025, and provided a new framework for OPDC to develop public defense services across the state.

### GOVERNOR'S BUDGET

The Governor's budget for OPDC provides \$720.1 million total funds and includes 313 positions. This represents a 17.3 percent increase in funding and a 74.9 percent increase in positions from the 2023-25 Legislatively Approved Budget.

The Governor's budget makes critical investments in OPDC to address the unrepresented persons crisis, update the state's case management system, extend the Temporary Hourly Increase Program (THIP) through December 2025, and increase the number of public defenders employed by the state to expand the capacity of public defense attorneys available to eligible individuals.

## **REVENUE SUMMARY**

The Commission is funded primarily with General Fund. Other Funds come from the Application and Contribution program, which collects application fees and contributions for services from people who can afford to pay for a portion of their defense services. Additionally, the Commission receives Title IV-E Federal Funds, transferred as Other Funds from the Oregon Department of Human Services.

## **AGENCY PROGRAMS**

### **Executive Division**

The Executive Division is responsible for the Agency's core leadership and governance, ensuring compliance with ORS Chapter 151. This Division oversees the provision of public defense services consistent with the Oregon and United States Constitution, as well as state and national standards of justice. The Executive Division includes the OPDC Executive Director and oversees all other agency divisions, including management of the agency's legal compliance. Externally, this Division manages the Agency's position on legislation and policy development, as well as communication with elected officials, public defense attorneys, representatives of the media, and other interested parties.

The Governor's budget for this Division is \$5.9 million total funds. The budget supports 13 positions, including four new positions, and provides critical funding to strengthen the state's workforce of public defenders throughout the next decade in alignment with Senate Bill 337 (2023).

### **Compliance, Audit, and Performance Division**

The Compliance, Audit and Performance (CAP) division is responsible for ensuring adherence to regulations and improving organizational performance. This Division was established during the 2021 Legislative Session, and Senate Bill 5532 (2023), the agency's budget bill, made changes to the Division to strengthen program management, performance, and oversight.

The CAP division was further directed to provide mutually inclusive services for vendor contract compliance; auditing of expenditures related to vendor contracts; internal auditing of agency expenditures; research and analysis; and development and maintenance of performance measures, including key performance measures and supporting key performance indicators.

The Governor's budget for this Division is \$9.8 million total funds. The budget supports 25 positions, including five new positions, and provides critical funding to strengthen the state's workforce of public defenders throughout the next decade in alignment with Senate Bill 337 (2023) and to maintain a sustainable statewide public defense system.

### **Appellate Division**

The Appellate Division provides constitutionally and statutorily mandated representation to financially eligible individuals in criminal, parole, juvenile delinquency, juvenile dependency, and termination of parental rights cases on appeal or judicial review. This Division is a crucial component of the judicial system and is responsible for reviewing decisions made by lower courts. This Division ensures the law is

applied consistently and fairly across cases, providing a mechanism for correcting errors and addressing grievances.

The Governor's budget for this Division is \$30.0 million total funds. The budget supports 69 positions, including 11 new positions, and provides critical funding to strengthen the state's workforce of public defenders throughout the next decade in alignment with Senate Bill 337 (2023).

### **Adult Trial Division**

The Adult Trial Division is responsible for handling a variety of adult legal cases for financially eligible individuals, including criminal, civil, and family law matters. There are several specialized programs within this Division designed to address specific needs, such as drug courts and mental health courts. OPDC delivers public defense services primarily by contracting with non-profit public defender offices and organizations and a consortia of law firms and individual attorneys. OPDC also fulfills its primary mission through agreements with attorneys to provide public defense representation on an hourly basis and directly through attorneys employed by the Agency.

The Governor's budget for this Division is \$286.0 million total funds. The budget provides funding for costs related to mandated caseloads and for contracted representation of financially eligible individuals in trial and appellate criminal cases, including post-judgement eligible cases, civil commitment, and other mental health cases.

### **Juvenile Trial Division**

In Oregon, financially eligible parents and children are entitled to appointed counsel in juvenile dependency proceedings when required by due process. Juvenile courts typically appoint counsel for both parents and children. Parents contesting an adoption and financially eligible youth involved in delinquency cases are also entitled to court-appointed counsel at the state's expense. Youth involved in delinquency cases do not need to meet financial eligibility requirements, and in some cases, their parents may also receive counsel if financially eligible. The juvenile code allows the court to appoint a guardian-ad-litem, who must be an attorney or licensed mental health professional, for parents with disabilities preventing them from understanding the proceedings or assisting counsel.

OPDC compensates attorneys appointed in juvenile court and contested adoption proceedings, as well as guardian's ad litem for parents in dependency and termination-of-parental-rights cases. This division fulfills this responsibility through contracts with non-profit public defender offices, consortia, law firms, and solo practitioners. Funding for these independent contractor attorneys is provided for court-appointed counsel and guardians ad litem in most of Oregon.

The Governor's budget for this Division is \$51.2 million total funds. The budget provides funding for contracted representation of financially eligible parents, children, and youth, as well as funding for guardian's ad litem for parents when the parent is unable to assist in a dependency or termination-of-parental-rights case.



**Preauthorized Expenses**

The Preauthorized Expenses (PAE) Division provides timely review and pre-approval of reasonable and necessary expenses that support public defense client cases. These expenses can include investigation/mitigation, psychologists, psychiatrists and other mental health experts, drug and alcohol evaluations, scientific evidence analysis and other expert services, discovery and litigation support.

The Governor's budget for this Division is \$106.5 million total funds. The budget provides critical funding to move OPDC toward compliance with the compensation and service delivery mandates of ORS 151.216 and Senate Bill 337 (2023). Included funding also specifically supports costs related to mandated caseloads, carryover costs related to THIP, and a six-month extension of THIP to continue addressing the unrepresented persons crisis.

**Court Mandated Expenses**

The Court Mandated Expenses (CME) Division is responsible for managing costs associated with court-ordered services and programs not funded through typical provider contracts. The Division provides funding for expenses associated with court costs including discovery, interpreter services, records, 911 recordings and emergency communication recording logs. The CME Division is subject to a mandated caseload and is budgeted based on anticipated caseload changes for state constitution or court actions. Funding for the CME program comes almost entirely from General Fund, with the Application Contribution Program providing additional revenue through Other Funds.

The Governor's budget for this Division is \$96.9 million total funds. The budget provides significant funding to move the agency toward compliance with the mandates of ORS 151.216 and Senate Bill 337 (2023) and includes funding related to mandated caseloads, carryover costs for THIP, and a six-month extension of THIP to continue addressing the unrepresented persons crisis.

**Trial Representation Division**

The Trial Representation Division (TRD) is a new division for the 2025-27 biennium and represents the newly created state-run trial division by adding 40 attorneys and their corresponding support staff, though support staff are placed within the Appellate Division. A large part of this Division's caseload includes representing those persons on the unrepresented list.

The Governor's budget for this Division is \$39.5 million total funds. The budget supports 142 positions, including 97 new positions, and provides critical funding to strengthen the state's workforce of public defenders throughout the next decade in alignment with Senate Bill 337 (2023).

**Parent Child Representation**

The Parent Child Representation Program (PCRP) provides trial-level representation for financially eligible parents, children, and youth in juvenile dependency, termination-of-parental-rights, juvenile delinquency, and contested adoption cases. PCRP also offers guardians ad litem for parents who need additional protection due to mental or physical disabilities preventing them from assisting counsel.

PCRPP currently operates in 10 counties within Oregon, and the program model limits attorney caseloads to 80 open cases per full-time attorney.

The Governor's budget for this Program is \$55.0 million total funds. Funding for PCRPP comes primarily from General Fund. Additional revenues are sourced from Title IV-E Federal Funds and provided to OPDC as Other Funds from the Oregon Department of Human Services (ODHS), pursuant to a Memorandum of Understanding between OPDC and ODHS.

### **Administrative Services Division**

The Administrative Services Division provides essential support services to ensure the operation of OPDC as a state agency. This Division oversees a variety of tasks including budget and facilities management, procurement, human resources, contract management, and compliance with relevant policies and regulations. Additionally, this Division supports information technology services, ensuring that technological resources are up-to-date and functioning efficiently as the agency separates from the Judicial Branch.

The Governor's budget for this Division is \$37.8 million total funds. The budget supports 64 positions, including 19 new positions, and provides critical funding to strengthen the state's workforce of public defenders throughout the next decade in alignment with Senate Bill 337 (2023) and to maintain a sustainable statewide public defense system. Included funding also supports the development of a financial and case management system to enhance efficiency and accountability within Oregon's public defense system. This system will manage various time and payment processes, improve caseload monitoring, and ensure timely legal services for eligible individuals.

### **Special Programs, Contracts and Distributions**

The Special Programs, Contracts, and Distributions Division contains specialist programs and funding for the purposes of transparent budgeting. This Division does not contain any positions, and funding is mainly used for Professional Services contract expenditures.

The Governor's budget for this program is \$1.7 million total funds. The budget provides funding for costs related to the Guardianship Program, a statewide program that provides appointed counsel to eligible individuals in guardianship or conservatorship cases.

## Oregon Youth Authority

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$251,200,913	\$418,755,516	\$468,823,677
Lottery Funds	0	0	0
Other Funds	140,718,655	35,124,430	36,635,503
Federal Funds	27,388,961	46,844,302	45,703,555
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$419,308,529	\$500,724,248	\$551,162,735
Positions	1,003	991	1,002
Full-time Equivalent	972.62	956.53	973.01

### OVERVIEW

The Oregon Youth Authority (OYA) serves youth ages 12-25 who have engaged in serious delinquent or criminal conduct prior to their 18th birthday. The mission of OYA is to protect the public and reduce crime by holding youth offenders accountable and providing opportunities for reformation in safe environments. Juvenile courts may commit youth offenders to OYA for out-of-home probation placement or incarceration in a state youth correctional facility. As the state's juvenile corrections agency, OYA operates correctional facilities and transition camps. OYA also manages the state's juvenile parole and probation programs, contracts for foster care, residential treatment and specialized treatment programs for adjudicated youth, and distributes funds to county juvenile departments.

The number of juveniles committing crimes in Oregon has steadily and dramatically declined from the peak levels seen in the 1990s, mirroring a nationwide trend of decreasing juvenile and adult crime rates.

### GOVERNOR'S BUDGET

The Governor's budget for OYA provides \$551.2 million total funds and 1,002 positions. This is a 10.1 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The Governor's budget maintains current operations and provides funding to further support interpretation and translation services, support to implement new services supported by Oregon's federal Medicaid waiver, and re-entry services for youth leaving OYA. The Governor's budget also provides funding to update OYA's facilities 10-year plan. Bond financing is provided for capital renewal projects, renovation and repair to existing facilities, updated CCTV systems, and the completion of the project to modernize the Juvenile Justice Information System.

## **REVENUE SUMMARY**

The Department's budget is primarily General Fund supported. Federal Funds revenues are from Title XIX Medicaid funding for targeted case management, administration, and behavioral rehabilitation services. Other Funds come from child support payments, Social Security benefits, and nutrition program funds transferred from the Department of Education.

## **AGENCY PROGRAMS**

### **Facility Services**

The Facility Services Program operates close-custody facilities located in communities around the state. The program is responsible for the custody and care of approximately 400 youth ages 12-25 who have committed crimes prior to their 18th birthday. Custody includes providing physically, emotionally, and psychologically safe living conditions for the youth and working conditions for staff while ensuring the security of the facility. OYA provides the youth in their care with health care, classroom education, treatment services, vocational education opportunities, access to online college level courses, and opportunities to pay restitution to victims. Programs also allow for youth to give back to the community through charitable activities and other projects and include services to promote connections to the youths' families and other forms of community support.

The Governor's budget provides \$232.6 million total funds and 712 positions for Facility Services. The budget strengthens the services offered to youth by funding five Group Life Coordinator positions at MacLaren Youth Correctional Facility (MYCF), including one to support a vocational dog training program. The budget also includes updated CCTV systems and the remodel and expansion of the infirmary and pharmacy at MYCF.

### **Community Programs**

OYA's Community Services program provides public safety, youth accountability, and reformation services for youth placed in communities throughout Oregon. This is accomplished through multiple field offices, residential treatment programs, foster homes, and other community-based services. The field offices provide supervision by parole and probation officers supported by a continuum of sanctions and services. OYA works in partnership with Oregon's county juvenile departments, private sector providers, and other stakeholders to develop and implement individual youth case plans and provide assessment and treatment services aimed at preventing youth from re-offending.

The Governor's budget provides \$179.5 million total funds and 139 positions for the Community Services Program. The budget includes a position to support reentry services, including addressing homelessness and housing instability, for youth transitioning out of OYA's custody and back to their community. Funding for rental assistance, training and outreach, and youth curriculum that teaches financial literacy and other life skills is also included.

**Program Support**

The Program Support division provides both leadership and support to the Department, including strategic planning, program direction, and rule and policy development. The Division provides oversight of agency programs from the perspective of diversity, inclusion, and intercultural relations and supports the agency with data management. In addition, the Division delivers evidence-based treatment services for youth offenders, including cognitive-behavioral restructuring, substance abuse and dependency treatment, emotion and impulse control, treatment for depression, sex offender treatment, life skills training and skill development.

The Governor's budget provides \$81.1 million total funds and 151 positions for Program Support. The budget continues support for the modernized Juvenile Justice Information System project, which is used by more than 2,500 statewide professionals, including county juvenile departments. Funds are also provided for interpretation and translation services, as well as a position dedicated to working with Medicaid funding.

**Debt Service**

This is the budget for principal and interest payments on Cost of Issuance and Article XI-Q bonds issued to build youth correctional facilities and fund selected deferred maintenance projects. General Fund pays for debt service. The Governor's budget provides \$30.1 million General Fund for repayment of scheduled principal and interest in the 2025-27 biennium.

**Capital Improvement**

The Capital Improvement program includes projects valued at less than \$1.0 million and provides for land acquisition, construction of structures, assessments, and improvements or additions to existing structures. Capital Improvement also includes asset protection, which is defined as maintenance, repair, replacement, or adaptation of a facility. Most buildings maintained by OYA provide secure residential spaces for youth. Other facilities are used for youth education, vocational training, recreation, administration, and support services. The Governor's budget maintains the current level of operations of the program by providing \$1.6 million General Fund to pay for deferred maintenance, electronic and physical security projects, general building improvements and emergency repair projects.

**Capital Construction**

The Capital Construction program includes projects with values of \$1.0 million or more that build, adapt, replace, or change the use or function of an information technology-related system, a facility, or a group of related facilities. Capital Construction projects usually follow a two-phase process, including a planning and design phase, followed by a construction phase. In addition to the bondable expenses of modernizing the Juvenile Justice Information System, the Governor's budget provides bond funding for updates to CCTV systems, the renovation and expansion at MYCF, and other capital renewal and improvement projects. The Governor's budget provides \$26.3 million Other Funds.

## Board of Parole and Post-Prison Supervision

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$10,126,834	\$14,027,372	\$14,054,847
Lottery Funds	0	0	0
Other Funds	841	12,696	13,229
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$10,127,675	\$14,040,068	\$14,068,076
Positions	30	30	28
Full-time Equivalent	28.76	30.00	28.00

### OVERVIEW

The Board of Parole and Post-Prison Supervision conducts parole hearings and sets requirements for supervision for individuals released from custody of the Oregon prison system. The Board's release and post-prison supervision decisions are informed by its partnerships with the Department of Corrections, local supervisory authorities, stakeholder groups, as well as victim involvement and support. The Board is comprised of five full-time members.

The responsibility of the Board is to:

- Impose prison terms and make parole decisions on offenders whose criminal conduct occurred prior to November 1, 1989.
- Impose prison terms and make parole decisions for offenders who have been sentenced as "Dangerous Offenders," for those convicted of aggravated murder who are eligible for parole, and for those convicted of murder after June 30, 1995. For these offenders, the Board has the legal authority to decide when, or if, they are released from prison. When these adults in custody are released into the community, they are ordered to serve a term of parole.
- Support the Sex Offender Notification Level (SONL) program enacted through 2015 legislation. The Board is charged with conducting a risk-based community notification (level I – low, level II – moderate, level III - high) on all registered sex offenders. Currently, the Agency is responsible for classifying over 18,600 existing registered offenders awaiting assessment.
- Notify victims and criminal justice stakeholders of hearings and releases.
- Determine the conditions which must be met by an offender during their sentence of post-prison supervision. A court determines the sentence duration.

### GOVERNOR'S BUDGET

As the number of people under the jurisdiction of the Board for parole determinations has decreased, the Board has shifted toward working more closely with crime victims and other stakeholders who voice concerns about the possible release of individual offenders. The Governor's budget for the Board of

Parole and Post-Prison Supervision is \$14.1 million total funds, which represents a 0.2 percent increase from the 2023-25 Legislatively Approved Budget. The budget supports the modernization of the Parole Management Information System, which will allow for improved information security, better customer service and enhanced functionality. The budget supports 28 positions.

The Board is putting forward three statutory changes to reduce the SONL backlog for consideration during the 2025-27 session. If passed, these changes would remove the requirement for offenders with convictions prior to 2014 to be leveled unless they request a change in level, remove the December 2026 deadline to level offenders with convictions prior to 2014, and allow the Board to approve changes in offender level via administrative hearing if there are no victim or district attorney requests for a formal hearing. Research has shown that sex offender registrants with conviction dates prior to 2014, who have not been convicted of new crimes, have a lower recidivism rate than offenders currently assigned the lowest risk level.

#### **REVENUE SUMMARY**

The Board is almost entirely General Fund supported, with the exception of a small amount of receipts from the sale of documents, hearing tapes, and any court-ordered fees paid to the Board.



## Department of State Police

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$536,205,975	\$491,941,814	\$549,164,508
Lottery Funds	9,809,628	9,751,741	11,838,943
Other Funds	287,216,610	185,910,427	141,307,588
Federal Funds	9,449,040	14,660,025	14,729,927
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$842,681,253	\$702,264,007	\$717,040,966
Positions	1,502	1,393	1,400
Full-time Equivalent	1,467.29	1,378.87	1,395.60

### OVERVIEW

The Department of State Police (OSP) was created in 1933 to serve as a rural patrol and to assist local city police and sheriffs' departments. Their mission is to enhance livability and safety by protecting the people, property, and natural resources of Oregon. OSP fulfills this mission by serving, protecting, and educating Oregon's citizens and visitors through leadership, action, coordination, and cooperation with its public safety partners.

OSP provides patrol services on Oregon's highways and at the Capital Mall, investigates major crimes, drug trafficking, arson, explosives, and acts of terrorism. They also provide forensic and criminal justice information services. The State's Medical Examiner's office, within OSP, investigates all deaths due to homicide, suicide, accident, drug overdoses, and deaths in state custody, on the job or occurring while not under medical care. They also provide dignitary protection, drug recognition experts, Fish and Wildlife and gaming industry law enforcement, and Special Weapons and Tactics experts.

### GOVERNOR'S BUDGET

The Governor's budget for OSP is \$717.0 million total funds and supports 1,400 positions. The Governor's budget includes investments in additional troopers in the form of a High Visibility Enforcement Unit by using a regionally based, data-led approach to address impaired driving and other dangerous driving behaviors. It also provides support for an OSP initiated pilot program that will create an investigation team charged with responding to the fentanyl crisis by investigating overdose incidents. The budget is a 2.1 percent increase from 2023-25 Legislatively Approved Budget.

### REVENUE SUMMARY

OSP's primary source of revenue is General Fund, which makes up 76.6 percent of its budget. The Department also receives Other Funds revenue from charging other organizations for its services,

including the Oregon State Lottery for gaming industry enforcement, organizations requesting information from the Law Enforcement Data System, and the Oregon Department of Fish and Wildlife for enforcement of fish and wildlife laws. The Department receives \$11.4 million in Measure 76 Lottery Funds from the Oregon Watershed Enhancement Board to support enforcement of fish and wildlife laws. Federal Funds are a small part of the Department's revenue and come from agreements with and grants from federal agencies.

## **AGENCY PROGRAMS**

### **Office of the State Superintendent**

The Office of the Superintendent houses agency executive leadership as well as the six bureau commanders who oversee agency operations. It also includes the Office of Internal Audit and the Strategic Communications unit. The Governor's budget for this program is \$9.3 million total funds and supports 15 positions.

### **Support Services**

The Support Services division provides administrative support functions to OSP's other divisions. It includes the information technology, financial services, procurement services and human resources functions for the agency. The Governor's budget for this program is \$93.1 million total funds and supports 99 positions.

### **Criminal Justice Information Services**

The Criminal Justice Information Services Division includes the following four program areas:

- Law Enforcement Data System (LEDS) section is responsible for the policy and user aspects of the statewide criminal justice telecommunication network and the central repository of criminal justice related information. It provides all law enforcement and criminal justice agencies in Oregon with access to online information from the FBI's National Crime Information Center, the Interstate law enforcement data-switching network, and the National Law Enforcement Telecommunications System.
- Identification Services section is responsible for maintaining Oregon's criminal offender records comprised of arrest fingerprint, palm print images and crime data reported by all law enforcement and corrections agencies, Oregon's courts, and District Attorneys for the purpose of establishing and maintaining a history of criminal events related to individuals. This is Oregon's only criminal records interface with the FBI's National Fingerprint File and National Crime Information Center. The information is used for many law enforcement purposes, such as to solve crimes, pre-screen people seeking to purchase firearms, screen people seeking concealed handgun licenses, and screen people applying for certification or licensing for various positions such as working with children and vulnerable adults.
- Sex Offender Registry (SOR) section is responsible for maintaining the state's sex offender registry. The SOR section manages registrations and records of offenders who live, work, or attend school in Oregon's communities.

- Central Records section provides records management functions for sworn members of the Department.

The Governor's budget for this program is \$51.1 million total funds and supports 143 positions.

### **Patrol and Public Safety Services**

The Patrol and Public Safety Services division provides uniform sworn police services throughout the state with a primary responsibility for the protection of human life and property through crash and crime reduction, responding to emergency calls for police services, and responding to other transportation safety issues on Oregon's rural and interstate highways. The Patrol and Public Safety Services division augments and supports local law enforcement by providing a safety net of police services, including assisting in cases of civil disobedience, natural or man-made disasters, and with city and county emergency calls for service. The Division also provides specialized services to support all law enforcement agencies in Oregon including drug detection canines, crash reconstruction, drug recognition experts, firearms denial experts, and the Special Weapons and Tactics Team (SWAT). A recent reorganization added Communications, Fleet, the Office of Professional Standards and Training to the Patrol and Public Safety Division.

The Governor's budget for this program is \$300.6 million total funds and supports 659 positions. The budget includes investments in additional troopers in the form of a High Visibility Enforcement Unit focused on impaired driving and other dangerous driving behaviors using a regionally based and data-led approach. It also provides Other Funds to formalize several support positions that had previously been supported by trooper vacancy savings.

### **Fish and Wildlife**

The primary responsibility of the Fish and Wildlife Division is enforcement of fish, wildlife, and commercial fishing laws and protection of natural resources. The Division is the single enforcement entity designated by law to protect fish and wildlife resources. The Division's officers have special training in fish and wildlife enforcement and are positioned throughout the state. These officers are often the only law enforcement presence available in some of Oregon's more rural communities. In addition to fish and wildlife enforcement, they also enforce criminal, traffic, boating, livestock, and environmental protection laws and respond to emergency situations.

The Governor's budget for this program is \$65.1 million total funds and supports 132 positions. This budget is largely supported by Other Funds from the Oregon Department of Fish and Wildlife and from agreements with federal and other state agencies. The Division also receives Measure 76 Lottery Funds transferred from the Oregon Watershed Enhancement Board. The budget reduces these funds to balance to available revenues.

### **Criminal Investigation**

The Criminal Investigation division provides investigative services in support of criminal justice agencies statewide. The following five major areas of investigation are provided by the Division:

- Major Crimes is the largest section of the Division. The section's detectives provide support to local law enforcement investigations of homicides and other major crimes. They respond to multi-jurisdictional child physical and sexual abuse cases and investigate crimes within state correctional institutions, Oregon Youth Authority facilities, and mental health hospitals. They also support local law enforcement by investigating public employee misconduct cases, public official misconduct cases, identify theft, embezzlement, and elder abuse. Major Crimes is a significant partner to the FBI's Joint Terrorism Task Force and provides two full-time detectives to the task force.
- Drug Enforcement provides a leadership role in the coordination and support of law enforcement agencies in drug enforcement efforts throughout the state.
- Evidence Program supports all OSP divisions through the acquisition, maintenance, and disposal of evidence in accordance with established policies and procedures.
- Arson & Explosive Units protects life and property through effective investigation, enforcement, and responding to incidences involving suspicious objects or packages.
- Cold Case Unit was added at the beginning of 2024 to ensure unsolved cases remain actively worked with the goal of bringing closure to victims' families and prosecuting those responsible.

The Governor's Budget for this program is \$65.0 million total funds and supports 136 positions. The budget supports an OSP initiated pilot program that will create an investigation team charged with responding to the fentanyl crisis by investigating overdose incidents. It also provides Other Funds to formalize two evidence technician positions that had previously been supported by trooper vacancy savings.

### **Gaming Enforcement**

The purpose of the Gaming Enforcement division is threefold: (1) to assure the fairness, integrity, security and honesty of the Oregon State Lottery by providing independent and specialized gambling regulatory services to the Oregon State Lottery Commission; (2) to assure the fairness, integrity, security, and honesty of Class III gaming by providing the required independent Tribal-State Compact monitoring of the operations of the nine federally recognized tribes of Oregon; and (3) to ensure the integrity and honesty of the professional boxing, wrestling, and mixed-martial arts industry in Oregon and to protect the interests of the professional athletes and the public concerning medical standards, fairness, financial fraud, and event environmental safety.

The Governor's budget for this program is \$16.5 million total funds, which is primarily Other Funds coming primarily from contracts with the Oregon State Lottery, compacts with Oregon Tribes, and gross revenue tax on various ring sports events. The program supports 39 positions. The budget funds one additional trooper position.

### **Forensic Services**

The Forensic Services Division supports the criminal justice system by providing forensic analysis of evidence related to crimes. This Division provides analysis and investigative assistance in several disciplines, including biology, chemistry, toxicology, crime scene investigation, DNA, latent prints, firearms, and tool marks. The Department operates five forensic laboratories located in Bend, Central

Point, Pendleton, Portland, and Springfield. Most of the demand for the Division's services comes from local law enforcement agencies. The Governor's budget for this program is \$66.2 million total funds and supports 147 positions.

#### **Office of the State Medical Examiner**

The Office of the State Medical Examiner is responsible for the investigation of all deaths due to homicide, suicide, accident, drug overdose, deaths in state custody, deaths on the job, and natural deaths occurring while not under medical care. The main activity of the Division is to certify the cause and manner of death requiring investigation within the authority of ORS Chapter 146. This activity includes postmortem examination and alcohol and drug analyses. The Medical Examiner has responsibility for technical supervision of county offices in each of the 36 counties of Oregon. Members of the Medical Examiner division also work closely with public health officials to monitor emerging infectious disease, bioterrorism, and other public health threats. The Governor's budget for this program is \$15.5 million total funds and supports 30 positions.

#### **Debt Service**

Debt Service provides funding to make payments on principle, interest and financing costs for Article XI-Q general obligation bond debt used to construct and upgrade the Springfield Forensic Laboratory and Medical Examiner's Office, the Springfield Patrol Command Office, and Central Point capital improvements and office expansion projects. The Governor's budget provides \$27.5 million General Fund for repayment of scheduled principal and interest in the 2025-27 biennium.

#### **Capital Construction & Deferred Maintenance**

The Capital Construction division includes projects with a value of \$1.0 million or more in value and supports the planning and design phase, followed the construction phase for OSP's capital construction projects. The Governor's budget provides \$7.0 million Other Funds for the agency to purchase land for new Patrol Offices in Ontario and Coos Bay.

## Oregon Department of Emergency Management

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$39,256,625	\$32,727,184	\$36,112,413
Lottery Funds	0	0	0
Other Funds	76,096,971	186,264,049	185,666,438
Federal Funds	521,354,454	1,056,771,485	1,098,413,627
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$636,708,050	\$1,275,762,718	\$1,320,192,478
Positions	104	140	134
Full-time Equivalent	53.65	132.29	131.25

### OVERVIEW

The Oregon Department of Emergency Management (OEM) was established July 1, 2022, as a separate and distinct agency from the Oregon Military Department. The mission of OEM is to coordinate, maintain, and collaborate with local, state, and federal partners in support of the Governor's statewide emergency services system. This system coordinates statewide emergency services and maintains emergency communications for public warnings, emergency notifications, and emergency support coordination.

OEM also provides cities, counties, and tribes throughout Oregon with leadership, planning, training, and technical assistance in disaster preparedness, emergency response and recovery services, and hazard mitigation. Reflecting its local coordination role, OEM supports and is advised by the Local Government Emergency Management Advisory Council, the Emergency Preparedness Advisory Council, the Oregon Seismic Safety Policy Advisory Council, the Oregon Emergency Response System Council, and the Homeland Security Advisory Council.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Department of Emergency Management provides \$1,320.2 million total funds and includes 134 positions. This represents a 3.5 percent increase in funding from the 2023-25 Legislatively Approved Budget.

The Governor's budget makes critical investments in OEM to close infrastructure gaps within the Department and strengthen its ability to support statewide emergency operations. Most notably, the budget makes agencywide position fund shifts to correctly reflect staff time and work splits following OEM's establishment as an independent agency and provides funding to support positions and equipment costs to prepare OEM for the successful transfer of the Oregon Emergency Response System

(OERS) from Oregon State Police on July 1, 2026, one year later than currently planned. Additionally, the budget provides funding for the Oregon Local Disaster Loan and Grant Account for future disaster recovery efforts. These investments serve to strengthen the overall state emergency management infrastructure.

## **REVENUE SUMMARY**

The Department's primary funding source is Federal Funds received through Department of Homeland Security and Federal Emergency Management Agency (FEMA) grants, including the Emergency Management Performance Grant. These funding sources support statewide preparedness, response, recovery, and mitigation efforts. Most of these grant opportunities pass funding directly to local governments for their emergency management programs, but ODEM provides considerable administrative support to local jurisdictions throughout the application process.

The second-largest source of revenue is Other Funds collected by the Oregon Department of Revenue as taxes on telephone services for transfer to OEM for the operation of the 9-1-1 emergency telephone service system. The Department also receives General Fund to support mitigation and recovery efforts for Oregonians impacted by disasters, including wildfires and flooding.

## **AGENCY PROGRAMS**

### **Administration**

The Administration Division provides leadership for operations and administrative functions throughout the agency. This program coordinates local search and rescue efforts and oversees the state's overall emergency preparedness by coordinating opportunities for intragovernmental, non-governmental, and private sector partners to collaborate on preparedness actions. These coordinated efforts lead to a more robust and strategic response to emergencies and disasters across the state.

Within the Administration Division, OEM maintains many core business functions, including communications; strategic planning and management based in the values of inclusion, diversity, equity, and accessibility; budget and grant management; performance management; government relations; public and private partnerships; and rules and policy coordination. In the 2024 Legislative Session, OEM received human resources positions to create their own Human Resource Office and improve staff capacity. With funding provided in the Governor's Budget, OEM will also be able to create its own internal payroll and financial services office.

The Governor's budget for this program is \$23.0 million total funds. The budget supports 50 positions, including one new position, and provides funding to strengthen agency operations as a stand-alone department, to enhance equity in emergency outreach efforts, and to operationalize the transfer of the OERS from the Oregon State Police on July 1, 2026. Notably, the budget also provides funding for a total replacement of OEM's current crisis management system to integrate data systems used across the state into a single operating system.



### **9-1-1 Emergency Telephone Program**

The State 9-1-1 Emergency Telephone Program was established by the 1981 Oregon Legislature and is responsible for the seamless operation of the statewide enhanced 9-1-1 communication system. This includes continual management and coordination of the 9-1-1 network necessary to deliver emergency calls to 43 Public Safety Answering Points across all 36 counties. This program ensures prompt, efficient, and uniform access to public and private safety services for state residents and visitors.

The Governor's budget for this program is \$151.0 million total funds. The budget supports 14 positions, including two new positions, and provides funding to continue core programs.

### **Preparedness and Response**

The Preparedness and Response Program focuses on planning, training, and exercising efforts to better prepare individuals, communities, and businesses for disasters. This occurs through partnerships with local, state, and federal agencies to coordinate and execute programmatic functions of homeland security planning, organization, equipment, and training. The program also provides direct service and support to partners regarding Emergency Operations Plans, the Cascadia Playbook, Geological Hazard Programs, the National Incident Management System, training and exercise development and support, local Citizen Corps programs, and the state ECC.

Federal Funds received through the U.S. Department of Homeland Security and FEMA grant programs provide 78 percent of the funding for the Preparedness and Response Program at the Current Service Level (CSL). The program includes \$57.0 million in Special Payments to pass through to local jurisdictions and other state agencies. OEM utilizes the administrative portion of these grants to fund internal program administration. Lastly, this Division coordinates local search and rescue efforts with the National Guard, Coast Guard, and Civil Air Patrol.

The Governor's budget for this division is \$80.8 million total funds. The budget supports 44 positions, including five new positions, and provides funding to strengthen the Agency's regional coordination efforts and operationalize the transfer of the Statewide Interoperability Program from the Oregon Department of Administrative Services. The budget also makes a critical, one-time investment into technical equipment needed to operationalize the transfer of OERS from the Oregon State Police on July 1, 2026.

### **Mitigation and Recovery**

The Mitigation and Recovery Program leads coordination among state, local, and federal agencies in developing, planning, and adopting local community hazard mitigation plans. Additionally, the Program administers federal disaster assistance, which allows communities to restore and repair critical infrastructure in response to a federal disaster declaration.

This program started the development of the recovery planning framework in 2015 and created both the State Recovery Action Plan and the Interagency Strategic Recovery Plan. These plans organize state and federal resources and assets into a standard operating structure and divide mitigation and recovery

response efforts into distinct regions across the state, incorporating all 36 counties and nine federally recognized Tribes. This regional approach enhances community engagement, increases local mitigation planning efforts, and creates new community support opportunities.

The Mitigation and Recovery Program is primarily funded with Federal Funds received through FEMA grant programs. Most of the grant funds received in this division are passed through to local jurisdictions, although OEM utilizes the administrative portion of these grants to fund internal Program assistance activities. The majority of the budget is for Special Payments made to local jurisdictions and other state agencies.

The Governor's budget for the Program is \$1,059.7 million total funds. The budget supports 26 positions and provides funding to strengthen Oregon's ability to apply for the maximum federal dollars allowed by different grant programs and to further program development in support of regaining FEMA Enhanced Status. The budget also supports the replacement of OEM's current crisis management system to integrate data systems used across the state into a single operating system.

### **Bond Debt Service**

The Bond Debt Service Division provides funding to make payments on principal, interest, and financing costs for bond debt used to fund State Preparedness and Incident Response Equipment grants, which fund the distribution of emergency preparedness equipment to eligible applicants. The Division is funded entirely with General Fund. The Governor's budget provides \$5.8 million General Fund for debt service payments.

## Department of the State Fire Marshal

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$66,648,738	\$61,459,624
Lottery Funds	0	0	0
Other Funds	0	51,329,575	44,243,149
Federal Funds	0	599,769	629,199
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$0	\$118,578,082	\$106,331,972
Positions	0	157	160
Full-time Equivalent	0.00	155.56	159.64

### OVERVIEW

The Department of the State Fire Marshal (OSFM) was established as an independent state agency by House Bill 2927 (2021), effective July 1, 2023. The Department had previously been an office within Oregon State Police.

The mission of OSFM is to protect people, property and environment from fire and hazardous material. The Department is responsible for protecting Oregonians, their property, and the environment from fire and hazardous materials. It carries out its duties through prevention, preparedness, and response activities. The Department provides expertise, technical assistance, model programs, and materials to local, state, private, and public groups to collaboratively reduce fire losses. The Department develops, adopts, and interprets the State Fire Code and coordinates with other agencies on statewide issues and during conflagrations, mobilizations and major emergency incidents. OSFM also locates and identifies the types and amounts of hazardous substances manufactured, stored, and used within Oregon and responds to hazardous spills and releases as part of its emergency response responsibilities. Additionally, OSFM plans, coordinates, and manages emergency response by local fire service providers for the Oregon Conflagration Act, natural disasters, and structural collapses.

### GOVERNOR'S BUDGET

The Governor's budget for OSFM is \$106.3 million total funds and supports 160 positions. In recognition of the increasing severity and impact of wildfires in Oregon, the Governor's budget continues current programs and makes investments in wildfire preparedness and mitigation. This includes funding for planning a mutual aid tracking system, addressing regulatory costs related to expanded provisions allowing for self-serve gasoline, and establishing a southern Oregon office. Additionally, to address increased and ongoing funding needs related to emergency response particularly during wildfire seasons, the Governor's budget includes funding for upstaffing grants, prepositioning and mobilization, and deposits \$15 million General Fund into the State Fire Marshal Mobilization Fund to address cash

flow constraints for costs associated with mobilizing fire service personnel and equipment to respond to governor-declared conflagrations.

## **REVENUE SUMMARY**

The Department's primary source of revenue is General Fund, which makes up approximately 60 percent of the budget. Additionally, the Department receives \$44.2 million Other Funds revenues from the Fire Insurance Premium Tax and a variety of fees, including those assessed for hazardous substance possession, petroleum loading, cardlocks, liquified petroleum gas, and fireworks. The Department receives approximately \$630,000 in Federal Funds from the U.S. Department of Transportation for Hazardous Material Emergency Preparedness.

## **AGENCY PROGRAMS**

### **Office of the State Fire Marshal**

The Office of the State Fire Marshal sets statewide policy and directs the Department's divisions and programs and leads the response and prevention functions within Oregon's structural fire service jurisdictions, including the wildland-urban interface. The Governor's budget for this program is \$5.1 million total funds and supports 12 positions.

### **Support Services Division**

The Support Services Division provides budget development and oversight, business support, information technology, procurement, fleet management and human resources services to support the effective and efficient operation of the Department.

The Governor's budget supports increased use of the Fire Insurance Premium Tax for agency operations. This includes beginning the procurement of a mutual aid tracking system and the establishment of a southern Oregon central Office. The Governor's budget for this program is \$22.6 million total funds and supports 40 positions.

### **Emergency Response Division**

The Emergency Response Division facilitates emergency response planning and resource coordination efforts to protect citizens, their communities, and the environment from the negative consequences of fires, hazardous material spills and releases, train derailments involving hazardous materials, and natural hazard events. The Division is primarily responsible for the coordination and administration of wildfire resources, including staffing and equipment grants, to communities throughout the state.

The Governor's budget provides an additional \$13.0 million in funding for this Division for upstaffing grants, prepositioning, and mobilization. Funding is also provided in anticipation of costs incurred during wildfire season. The Governor's budget for this program is \$45.1 million total funds and supports 22 positions.

**Regulatory Services Division**

The Regulatory Services Division administers regulatory programs by conducting tests, issuing permits and licenses, and conducting inspections to ensure fire and life safety protection for fireworks, liquified petroleum gas, non-retail fuel dispensing, fire standard compliant cigarettes, and novelty lighters. Funding is added to this division to establish one new position and associated support to enforce the state's gasoline self-serve regulations. The Governor's budget for this program is \$5.7 million total funds and supports 19 positions.

**Fire and Life Safety Services Division**

The Fire and Life Safety Services Division carries out the Department's mission by performing duties, maintaining programs, and providing technical support and guidance, which assists with fire prevention and enhances overall fire and life safety for members of the public in all occupancy types. The Division also ensures compliance with fire and life safety standards for facilities receiving Medicare and Medicaid funding. The Governor's budget for this program is \$17.0 million total funds and supports 39 positions.

**Fire and Life Safety Education Division**

The Fire and Life Safety Education Division is responsible for statewide programs in data and analytics, fire prevention and safety, and community risk reduction. The Division's programs target fire reduction and fire-related deaths, injury, and property loss through educational practices to encourage behavior change and increase awareness of fire-safe practices and regulations. Funding is added to this Division to establish two new positions that will support local entities' fire and life safety efforts. The Governor's budget for this program is \$10.8 million total funds and supports 28 positions.

## Department of Public Safety Standards and Training

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$9,107,624	\$8,773,470	\$9,624,053
Lottery Funds	0	0	0
Other Funds	56,765,070	72,427,141	90,056,787
Federal Funds	6,685,398	7,652,537	7,967,812
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$72,558,092	\$88,853,148	\$107,648,652
Positions	160	186	202
Full-time Equivalent	158.24	184.75	199.87

### OVERVIEW

The Department of Public Safety Standards and Training (DPSST) is responsible for providing basic and ongoing training, certifying officers, and monitoring compliance with professional standards established by the Board on Public Safety Standards and Training. DPSST trains and certifies more than 41,000 public safety professionals including city, county, tribal, and state law enforcement officers, corrections officers, parole and probation officers, fire service professionals, telecommunicators, emergency medical dispatchers, polygraph examiners, private security providers, and private investigators. DPSST also certifies qualified instructors, reviews and accredits public safety training programs throughout the state, and administers the Public Safety Memorial Fund.

### GOVERNOR'S BUDGET

The 2025-27 Governor's budget provides \$107.7 million total funds and 202 positions for DPSST programs. This is a 21.2 percent increase in total funds from the 2023-25 Legislatively Approved Budget. The Governor's budget recognizes increased demand for basic police courses and law enforcement training and provides funding to continue providing 20 basic police courses and for additional administrative staff to address increased workloads and backlogs. Additionally, the budget includes funding for the development of a new Learning Management System, as well as funding to develop a capital plan for the public safety campus.

### REVENUE SUMMARY

General Fund covers \$9.6 million in debt service related to the construction of the Oregon Public Safety Academy. Revenues from the Criminal Fine Account (CFA) equal \$68.8 million and make up 64 percent of DPSST's total available revenue. CFA revenues fund criminal justice training; certification and records management; and agency administration. Revenues from the Fire Insurance Premium Tax totaling \$7.2 million for the 2025-27 biennium are dedicated to the Fire Training and Certification Program. Likewise,

the 9-1-1 telecommunications tax and fees charged to private security officers and private investigators are dedicated to the related programs. The budget also assumes a fee increase of the private security and private investigators fees that will go into effect prior to the start of the 2025-27 biennium.

## **AGENCY PROGRAMS**

### **Criminal Justice Standards and Training**

The purpose of the Criminal Justice Standards and Training program is to train and certify, to the appropriate level of competency, all law enforcement officers, city and county corrections officers, parole and probation officers, 9-1-1 telecommunicators and emergency medical dispatchers. The Criminal Justice Standards and Training program affects more than 270 public safety agencies employing more than 13,000 public safety professionals in Oregon.

The Governor's budget for this program includes \$48.8 million Other Funds, primarily funded by the CFA, and 120 positions. The budget provides for approximately 1,500 students in Basic Police and Basic Corrections classes. Basic training classes range from three weeks for telecommunicators and emergency medical dispatchers to 16 weeks for law enforcement officers. Costs of the programs are primarily driven by the number of individuals requiring training and certification.

### **Fire Training and Certification**

The purpose of the Fire Training and Certification program within DPSST is to train and certify career and volunteer firefighters. Fires and emergencies happen 24-hours a day, seven days a week, 365 days a year, and each event requires trained firefighters to contain, control, and prevent more damage. This Program also provides critical wildland firefighter training to Oregon National Guard members at the request of the Oregon Department of Forestry, when the Governor mobilizes troops to assist with fire suppression efforts. Fire program employees also participate and respond as part of the State Fire Marshal's Incident Management Team.

The Governor's budget for this program provides \$7.2 million Other Funds and 17 positions. This program is funded primarily through the Fire Insurance Premium Tax, a 1.15 percent surcharge on all fire insurance policies written in the State of Oregon. The program provides training and certification for over 11,000 fire service professionals.

### **Private Security and Private Investigators**

The Private Security and Private Investigator certification and licensing programs are both industry-imposed and are fee-based programs. These Programs certify and license private security providers and private investigators according to an established set of minimum standards. Additionally, these Programs are regulatory in nature, ensuring individuals maintain minimum standards and compliance with the moral fitness standards throughout the two-year certification or licensing period. The Governor's budget provides \$4.8 million Other Funds expenditure limitation and 13 positions for this program, which is supported by fees.



**Public Safety Memorial Fund**

The Public Safety Memorial Fund was established in recognition of the dangers faced by Oregon's public safety officers. The purpose of the fund is to provide immediate and long-term financial assistance for permanently and totally disabled public safety officers, as well as families of public safety officers who are killed in the line of duty. When these tragedies occur, DPSST staff works promptly to connect with and assist the officer's family members through the officer's public safety employer. Benefits may include a one-time \$25,000 payment, coverage of health and dental insurance premiums for up to five years, mortgage payments for up to one year, and higher education scholarships.

The Governor's budget for this Program provides \$0.3 million Other Funds and is funded from the Criminal Fine Account. The benefits paid from the account vary based on the number of officers suffering a qualifying death or disability and the number and age of their dependents. Since the inception of the Program in 1999, more than \$2.3 million has been paid to families of severely injured public safety officers as well as those killed in the line of duty. The number of claims processed averages 7.4 per year.

**Administration and Support Service**

The Administration and Support Services program includes the Director's Office, Human Resources, Business Services, Information Services, and Facility Operations and Maintenance. The program is responsible for the maintenance and upkeep of the Oregon Public Safety Academy, which sits on 236 acres of land, including over 50 acres of state and federally protected wetlands. The facility includes more than 330,000 square feet of space within 23 buildings located throughout the campus. The Governor's budget for this program provides \$38.5 million total funds and 50 positions. This includes \$9.6 million General Fund for debt service on the Oregon Public Safety Academy.

**Oregon – Idaho High Intensity Drug Trafficking Areas**

The Oregon-Idaho High Intensity Drug Trafficking Areas (HIDTA) program seeks to facilitate, support and enhance collaborative drug control efforts among law enforcement agencies and community-based organizations. The aim is to significantly reduce the impact of illegal trafficking and use of drugs throughout Oregon and Idaho. To accomplish this, the program has two main objectives:

- Disrupt the market of illegal drugs by dismantling drug trafficking and money laundering organizations, and
- Improve the effectiveness and efficiency of program participants.

This is a federal grant program with a multi-jurisdictional executive board including 18 federal agencies, seven state agencies, 53 local law enforcement agencies, two tribal agencies, and the U.S. Attorney's Office in the District of Oregon and the District of Idaho. The Governor's budget provides \$8.0 million Federal Funds and two positions for support of the HIDTA program.

# Economic and Community Development

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Program Area and Agency Information



## ECONOMIC and COMMUNITY DEVELOPMENT AGENCIES

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### Economic and Community Development Program Area Budget

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$1,383,413,349	\$1,180,841,118	\$1,366,778,517
Lottery Funds	176,714,948	230,390,389	272,333,756
Other Funds	1,475,570,003	3,184,443,233	3,574,471,455
Federal Funds	969,165,440	744,145,193	647,252,716
Other Funds (Nonlimited)	2,153,639,252	4,144,190,477	5,382,380,688
Federal Funds (Nonlimited)	1,258,004,699	254,410,399	228,546,399
Total Funds	\$7,416,507,691	\$9,738,420,809	\$11,471,763,531
Positions	4,023	2,798	2,824
Full-time Equivalent	2,886.17	2,745.25	2,805.76

#### OVERVIEW

Oregon's vision is to support a diverse, dynamic, and sustainable economy as well as vibrant communities throughout the state that drive job creation and prosperity for all. State government agencies partner with the private sector, local governments, and nonprofits to grow a thriving and innovative economy based on Oregon values. Agencies in the Economic and Community Development Program Area aid Oregonians by partnering with and investing in communities and businesses throughout the state. Economic development activities include job creation, placement, retention services, business recruitment and assistance, and workforce assistance and training. Agencies in this program area administer housing and infrastructure financing programs and provide technical assistance to individuals, businesses, and communities.

The Economic and Community Development Program Area agencies have a broad impact on Oregonians. Programs within these agencies support Oregon by:

- growing, supporting and attracting new businesses and jobs,
- coordinating state investments with local governments and the private sector, and
- developing a dynamic and resilient workforce.

## GOVERNOR'S BUDGET AND KEY INVESTMENTS

The Governor's budget for the Economic and Community Development Program Area is \$11,471.8 million total funds, which includes \$1,639.1 million General Fund and Lottery Funds. The overall budget is a 17.8 percent increase from the 2023-25 Legislatively Approved Budget.

Key elements of the Governor's Budget for the Economic and Community Development Program Area include:

**Homelessness State of Emergency.** The Governor's budget includes substantial investments to continue the efforts began in the 2023-25 biennium to address homelessness and housing production across the entire state, including but not limited to areas included in the Homelessness State of Emergency. A few of the investments include: \$217.9 million to maintain operations for shelter beds across Oregon, \$293.4 million for the Oregon Rehousing Initiative to sustain re-housing efforts for households experiencing unsheltered homelessness and providing them with long-term rent assistance to maintain their housing stability once rehoused, \$173.2 million for homelessness prevention, and \$15.8 million to provide capacity for culturally responsive organizations and to tribal partners to address housing and homelessness response efforts in their communities.

Most of the funding is for the Oregon Housing and Community Services (OHCS) Department; however, investments are included in ten additional agencies, including but not limited to the Department of Land Conservation and Development, the Department of State Lands, the Oregon Department of Human Services, and the Oregon Business Development Department for programs aimed at increasing housing production in Oregon.

**Housing Production and Preservation.** The budget includes \$880.0 million in general obligation bonding to increase the supply of affordable housing, which includes \$80.0 million in bonding for Permanent Supportive Housing units and \$800.0 million for Local Innovation and Fast Track (LIFT) construction projects. LIFT projects can be leveraged to fund the construction of affordable rental housing units and homeownership units. The budget also includes \$185.0 million in lottery bonds to invest in affordable housing and manufactured home park preservation projects. Finally, the budget also includes \$100.0 million in lottery bonds for the creation of a Housing Infrastructure Project Fund within Business Oregon, to provide financial assistance to local governments and tribal governments for proposed housing development projects.

**Homeownership Investments.** The budget includes investments in homeownership development, manufactured home replacement, and down payment assistance. The down payment assistance program builds on the relationships OHCS already has with local banks and lenders and provides a product not available through the private sector. These programs create the possibility of homeownership for Oregonians, especially those who have experienced economic barriers to accessing homeownership.

**Enhancing Programs Providing Services to Oregon Businesses.** The Governor's budget adds \$4.8 million to the Technical Assistance for Underrepresented Business program, which funds organizations that help historically underrepresented and under-resourced small businesses. This program is intended to help see that economic recovery is equitable and not perpetuate long-standing disparities. The budget also invests \$1.0 million for the creation of a Small Business Sustainability Fund.

**Enhancing Economic Development through Port Programs.** The Governor's budget (through a combination of lottery bonds and lottery funds) provides \$69.4 million to assist ports across Oregon with various projects including the planning and construction of facilities and infrastructure and improving navigability for commercial shipping operations.

**Infrastructure Investments.** The Governor's budget provides \$60 million lottery bonds for additional capital for the Special Public Works Fund, including funds for the Levee Grant Program. The Special Public Works Fund provides essential support for infrastructure programs in rural Oregon. The budget also provides \$10.0 million in lottery bonds for the establishment of a new Industrial Site Loan Fund, and \$15.0 million for both the Brownfields Redevelopment and Brownfields Revitalization programs in Business Oregon.

**Seismic Retrofits.** The Governor's budget includes additional investments in seismic retrofitting to assure the infrastructure stability of schools and emergency service buildings through the issuance of \$150.0 million General Obligation Bonds (Article XI-M and Article XI-N). This investment strives to make schools and emergency service buildings resilient to a large earthquake event.

**Services for Veterans.** The Governor's budget continues to support educational and workforce programs for Oregon's veterans, including the Campus Veteran Resource grant program and the Veterans' Educational Bridge grant program. The budget also enhances emergency financial assistance available to veterans, including enhanced funding for veterans facing homelessness or housing issues. The budget also provides investments to tribal partners to ensure dedicated resources for Veteran Service Officers in tribal communities. Furthermore, the budget provides additional resources to assist veterans transition from an incarceration setting back into their community and increases revenue bond proceeds for the Veterans Home Loan Program.

Finally, the Governor's budget also increases the capacity of Business Oregon, the Oregon Employment Department, the Oregon Department of Veterans' Affairs, and the Oregon Housing and Community Services Department to improve internal operations and improve customer service to each of the agency's respective clients.

## Oregon Business Development Department

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$445,946,186	\$318,799,824	\$212,438,501
Lottery Funds	133,568,697	177,780,001	200,236,708
Other Funds	260,257,066	1,253,787,180	1,125,288,509
Federal Funds	49,801,034	127,504,132	94,273,416
Other Funds (Nonlimited)	130,263,514	379,396,861	447,219,352
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,019,836,497	\$2,257,267,998	\$2,079,456,486
Positions	184	203	204
Full-time Equivalent	167.11	187.36	205.19

### OVERVIEW

The Oregon Business Development Department (Business Oregon) is the state's economic development agency. Its mission is to invest in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy. The Department's vision statement is "Prosperity for all Oregonians." Core functions of the agency include rural community development and infrastructure financing; business retention, expansion and recruitment; export promotion and international trade; industry innovation and research and development; entrepreneurship and small business assistance; and support for arts and cultural organizations.

### GOVERNOR'S BUDGET

The Governor's budget for Business Oregon is \$2,079.5 million total funds. This is a 7.9 percent decrease from the 2023-25 Legislatively Approved Budget (LAB), primarily due to the phase out of one-time funding. The Governor's budget includes new investments and additional investments for existing programs including the issuance of General Obligation and Lottery Bonds to make strategic investments in providing early childcare business and infrastructure assistance, assuring infrastructure stability and resiliency for schools and emergency services buildings; capitalizing existing programs' revolving loans and grant programs; expanding broadband in Oregon; and allowing for the carryover and completion of several projects started in 2021-23 and 2023-25 with one-time General Fund appropriations and funds from the American Rescue Plan Act.

Key investments include:

- \$100.00 million Lottery Bonds for the Housing Infrastructure Fund.
- A combination of \$69.4 million Lottery Bonds and Lottery Funds for port related programs.
- \$15.0 million Lottery Bonds Brownfields Redevelopment and Brownfields Revitalization programs.
- \$10 million Lottery Bonds for the development of an Industrial Site Loan Fund.

- \$4.8 million Lottery Funds for the Technical Assistance for the Underrepresented Business program.
- \$1.0 million Lottery Funds for the Small Business Sustainability activities.
- \$60.0 million in Lottery Bonds to recapitalize the Special Public Works Fund (SPWF), including \$50.0 million for critical public works and regional infrastructure needs and \$10.0 million for the Levee Grant program.
- \$30.0 million in Lottery Bonds to for the Child Care Infrastructure Fund.
- \$100.0 million in General Obligation Bonds for seismic retrofitting of schools.
- \$50.0 million in General Obligation Bonds for seismic retrofitting of emergency service buildings.

The Governor's budget includes investments for the Oregon Broadband Office, the mission of which is to increase broadband internet availability across the state; funding for needed staffing resources within Business Oregon; and funds continuing the Business Oregon IT modernization project. Aside from new investments, the Governor's budget includes \$88.7 million General Fund, \$21.2 million Lottery Funds, and \$322.5 million Other Funds as carry over from the 2021-23 and 2023-25 biennia. This carryover allows for completion of several projects started with one-time General Fund appropriations and Lottery Funds allocations, as well as funds from the federal American Rescue Plan Act.

## **REVENUE SUMMARY**

Business Oregon's main source of revenue for administration is Lottery Funds. General Fund finances the Arts Commission and is used to make General Obligation Debt Service payments. Federal Funds received from the Community Development Block Grant supports programs in the Infrastructure Finance Authority, the Brownfields program and the State Small Business Credit Initiative Grant. Other Funds revenues include loan repayments, bonding, and transfers from other agencies.

## **AGENCY PROGRAMS**

### **Operations**

The Operations Division contains the Director's Office and provides central services and oversight to the Department. The Director's Office oversees the Department, legislative activities, governmental relations, communications, and supports the Business Oregon Commission. Fiscal and Budget Services is responsible for the Department's budget development and administration, financial reporting, accounts receivable, accounts payable, employee payroll, and agency contracts.

The Governor's budget for this program is \$31.9 million total funds. This is a 33.2 percent increase from the 2023-25 LAB and supports 70 positions. The increase is primarily due to the addition of necessary staffing resources for new and ongoing projects, the continuation of and movement into the next phase of modernizing Business Oregon IT systems and providing resources for implementation of Business Oregon's strategic plan, including the development of "user-friendly online tools" through modernization of Business Oregon's website.



## **Business, Innovation, Trade**

The Business, Innovation, and Trade (BIT) Division promotes business retention, growth, and job creation through multiple programs and services. Business retention and recruitment are an area of focus for this Division. The Division promotes access to capital through loans, credit guarantees, and investments in funds investing in early-stage businesses through the Oregon Growth Board. The Division promotes exports by Oregon businesses through trade missions, the attraction of foreign direct investment, and the promotion of exports for small and medium sized businesses. Finally, the Division funds a variety of initiatives aimed at encouraging research and development and entrepreneurship, many of which work with the university system.

The Governor's budget for this program is \$300.4 million total funds and supports 65 positions. This is a 45.9 percent decrease from the 2023-25 LAB, largely due the phase-out of one-time expenditures. BIT is primarily supported by Lottery Funds. Federal Funds support the State Small Business Credit Initiative grant, and the State Trade Export Promotion (STEP) grant. Other Funds are from loan principal and interest repayments, loan and service fees, investment interest earnings, and miscellaneous receipts. BIT coordinates with economic development organizations at the federal and local level, as well as with private enterprises, to drive a unified approach to grow Oregon's economy. Among other investments, the Governor's budget continues funding for the Technical Assistance program and enhances funding for international trade programs.

## **Infrastructure Finance Authority**

The Infrastructure Finance Division (IFD) assists communities in building and maintaining critical infrastructure through low-cost financing, grants, technical assistance, and capacity building. The division has dedicated funding sources for municipal infrastructure, water, and wastewater facilities to ensure compliance with federal law, seismic rehabilitation for schools and emergency facilities, port and airport facilities, levee improvements, marine navigation improvements, and other facilities supporting economic and community development. Programs are a primary source for the state's rural communities to access low-cost financing for vital public infrastructure projects.

The IFD programs are largely revolving loan funds (SPWF, Water/Wastewater Fund, Port Revolving Loan Fund, and Brownfields Redevelopment Fund), Federal Funds (EPA Safe Drinking Water, EPA Brownfields and HUD Community Development Block Grant) and infrequent special allocations of Lottery Funds or one-time bond sales. The IFD also receives general obligation bond (Article XI-M & XI-N) revenues for the Seismic grant program. Oregon receives federal program allocations via a funding formula that prorates state allocations based on the national allocation amount; through the Infrastructure Investment and Jobs Act federal funding increased in recent years. State match to federal programs (Safe Drinking Water, CDBG, and FEMA emergency grants) is provided by the SPWF. Revolving loan funds have dedicated funding from repaid loans and interest earnings by statutorily identified accounts.

The Governor's budget for this program is \$1,531.2 million total funds and supports 59 positions. This is a 3.7 percent increase from the 2023-25 LAB. IFD programs are funded by Other Funds from revolving loans, initially capitalized with Lottery backed bond sales, the Safe Drinking Water Act funds transferred in from the Oregon Health Authority, and Federal Funds from the Community Development Block Grant program.

## **Film and Video**

The Oregon Film and Video Office is a semi-independent agency recruiting and facilitating film and television production in Oregon. The office carries out this mission by being a first point of entry for both out-of-state and in-state production companies and by using marketing and sales tools, a website, blog, newsletter, and social media presence, a large locations database, and other key recruitment tools such as tax credit incentive programs like the Oregon Production Investment Fund and the Greenlight Oregon Labor rebate, the Oregon Film Trail and the programs and grants of the Creative Opportunity Program.

The Governor's budget for this program is \$1.5 million total funds. This is a 4.2 percent increase from the 2023-25 LAB. These funds pass directly through Business Oregon to fund administrative activities of the office.

## **Arts**

The Arts Division includes both the Arts Commission and the Oregon Cultural Trust. The Arts Commission develops statewide policy and provides services to arts organizations, artists, and communities. The Commission also provides statewide funding to arts organizations, individual artists and arts programs through grants and special initiatives. The Arts Commission promotes Oregon's arts, humanities, heritage, preservation, and history. Through a tax credit, the Commission encourages citizen participation in donating directly to over 1,600 cultural organizations and to the Trust. In recent years, the Trust averaged 10,000 contributions annually.

The Governor's budget for this program is \$21.9 million total funds and supports 10 positions. This is a 53.6 percent decrease from the 2023-25 LAB, largely due to the phase-out of one-time funding for grants in the 2023-25 biennium. Funding for the program comes from a combination of General Fund, Other Funds, and Federal Funds. Federal Funds are from the National Endowment for the Arts and Other Funds are received primarily from Public Arts Management Fees.

## **Lottery and General Obligation Bond Debt Service**

The Lottery and General Obligation Bond Debt Service program is used to track the payment of Lottery and General Obligation Debt Service, including both principal and interest payments. Revenue to pay debt service comes from the General Fund and Lottery Funds. The Governor's budget for the program is \$192.6 million total funds. This is a 26.3 percent increase from the 2023-25 LAB, which is driven by new bond financing and debt service on previously sold bonds. Funding to repay debt service comes from the General Fund and Lottery Funds. The program does not include positions.

## Oregon Employment Department

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$33,941,652	\$5,767,819	\$0
Lottery Funds	0	0	0
Other Funds	229,168,063	425,276,313	507,735,591
Federal Funds	263,929,613	208,606,201	212,206,689
Other Funds (Nonlimited)	1,094,856,806	2,620,819,560	3,853,268,759
Federal Funds (Nonlimited)	1,091,595,352	69,308,000	43,444,000
Total Funds	\$2,713,491,486	\$3,329,777,893	\$4,616,655,039
Positions	3,304	2,010	2,028
Full-time Equivalent	2,250.52	1,991.79	2,015.44

### OVERVIEW

The Oregon Employment Department (OED) supports business and promotes employment. The Department also provides administrative support to the Office of Administrative Hearings and the Employment Appeals Board. The Department is part of the national workforce development system, which is a federal, state, and local partnership. This partnership, through the federal Workforce Innovation and Opportunity Act, is designed to strengthen and improve the nation's public workforce system and help get individuals, including youth and those with significant barriers to employment, into high-quality jobs and careers and help employers hire and retain skilled workers. Workforce programs in Oregon exist across several state agencies and other partners including local workforce development boards, universities, community colleges, school districts, community-based organizations, and business and trade associations.

### GOVERNOR'S BUDGET

The Governor's budget for OED is \$4,616.7 million total funds. It includes \$507.7 million Other Funds, \$212.2 million Federal Funds, \$3,853.3 million Other Funds Nonlimited, \$43.4 million Federal Funds Nonlimited, and 2,028 positions. This is a 38.7 percent increase from the 2023-25 Legislatively Approved Budget (LAB), mostly due to increases in benefit distributions related to the Paid Leave Oregon program.

The Governor's budget provides resources for the department to operationalize the new unemployment insurance (UI) and Paid Leave Oregon technology system, Frances Online; continue efforts to modernize the department's core employment services; and increase staff to improve customer service delivery.

### REVENUE SUMMARY

OED receives funding from both federal and dedicated state sources. The U.S. Department of Labor (U.S. DOL) provides the agency with federal funding for a variety of functions with the bulk of funds related to

UI and several reemployment-related programs. In general, the Department receives increased federal funding during economic downturns but is underfunded during economic expansions and therefore reliant on fund reserves to continue operations. At the end of the pandemic recession, federal funding dropped rapidly to pre-pandemic levels. OED expects federal funding to remain at the lower levels throughout the 2025-27 biennium. Federal funding does not cover 100 percent of the Department's administrative costs. The Department utilizes a substantial source of dedicated state Other Funds to fill in where Federal Funds are not sufficient and will be more reliant on those dedicated Other Funds in 2025-27.

Other Funds sources include payroll taxes on employers for both the UI and Paid Leave Oregon programs. Each of those payroll taxes are a dedicated source of funding for the specific program. The tax revenue is used to pay UI benefit payments, Paid Leave Oregon benefits, and administrative expenses for both programs, charges for administrative hearing services, and penalties and interest assessed for delinquent payments.

One of the dedicated Other Funds, the Supplemental Employment Department Administrative Fund (SEDAF), was increased during the 2024 Regular Session to improve service levels, make needed operational and organizational improvements to strengthen the department, and to complete pandemic related workload issues the agency continues to face. SEDAF is funded by a diversion of 0.109 percent of employer paid unemployment taxes based on taxable payroll, which is primarily directed to support the agency's Workforce Operations and Workforce and Economic Research programs. Federal Funds cover just over 60 percent of expenditures for UI Administration, the Department uses some SEDAF funds (and Penalty & Interest funds) to pay for administrative expenditures not covered by Federal Funds.

## **AGENCY PROGRAMS**

### **Shared Services**

The Shared Services budget structure includes programs providing strategic and operational support to all agency programs including Administrative Business Services, Director's Office, Human Resources, Information Technology Services, Internal Audit, Legislative Affairs, and Communications. The Governor's budget for this program is \$108.0 million total funds and supports 212 positions. This is a 44.6 percent increase from the 2023-25 LAB, primarily due to the ongoing costs of maintaining Frances Online.

### **Unemployment Insurance**

The UI Division supports economic stability for Oregonians and Oregon communities with the payment of UI benefits. Through a focus on work search and employment services, the UI Division promotes reemployment and the preservation of a trained, local workforce for businesses during economic downturns.

The UI Division administers Unemployment Insurance benefits including federal extensions when available and other specialized programs. The program pays UI benefits, a temporary partial wage

replacement to workers who are unemployed through no fault of their own. The program collects payroll taxes from Oregon employers, which are deposited into the Unemployment Insurance Trust Fund and used to pay unemployment insurance benefits.

Oregon's Unemployment Insurance Trust Fund is designed to grow in good economic times and draw down during economic downturns, minimizing employer taxes during an economic recession. Each state's Unemployment Insurance Trust Fund is held by the federal government for the specific purpose of the state paying unemployment insurance benefits. Oregon's Unemployment Insurance Trust Fund remained solvent through the Great Recession and throughout the COVID-19 pandemic, due to its statutory self-balancing tax structure. The U.S. DOL continues to rate Oregon's Unemployment Insurance Trust Fund as one of the healthiest in the nation.

The Governor's budget for this program is \$156.1 million total funds, supporting 472 positions. This is a 13.0 percent increase from the 2023-25 LAB and supports continuing current programs.

### **Workforce Operations**

The Workforce Operations Division manages the state's labor exchange system and serves all Oregonians and Oregon businesses through 39 WorkSource centers across the state. The Workforce Operations Division serves Oregon businesses by recruiting and referring the best qualified applicants to jobs and provides resources to diverse job seekers in support of their employment needs. Workforce Operations employees identify, screen, and refer job applicants to employers. Workforce Operations assists businesses in securing federal tax credits and offsetting training costs for hiring specific populations such as persons receiving public assistance, people with disabilities, veterans, and those experiencing long-term unemployment (longer than six months). The demand for these services from job seekers fluctuates with the business cycle. The Governor's budget for this program is \$183.4 million total funds including 571 positions. The budget represents a 6.5 percent increase from the 2023-25 LAB and funds investments in services and benefits provided to dislocated workers.

### **Contributions and Recovery**

The Contributions and Recovery Division provides economic stability for Oregonians and Oregon Communities by providing seamless services to Oregon employers as they navigate and pay contributions for both UI and Paid Leave Oregon programs. The collection of such contributions provides funding for both the UI and Paid Leave Oregon programs, both of which provide critical safety nets for Oregon citizens. The services provided within Contributions and Recovery provide efficient and effective oversight and support services in the collection and distribution of contributions made by Oregon employers for both the Paid Leave Oregon and the UI programs. The Governor's budget for this program is \$46.1 million total funds, including 167 positions. The budget represents a 29.3 percent increase from the 2023-25 LAB. The increase is primarily attributable to the addition of 17 positions to address increased workload demands and resolve backlogs.

## Housing and Community Services

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$895,578,308	\$846,477,625	\$1,143,922,457
Lottery Funds	25,217,808	29,707,030	46,675,634
Other Funds	881,142,751	1,363,954,044	1,750,371,577
Federal Funds	654,910,055	404,102,240	338,810,917
Other Funds (Nonlimited)	655,142,461	882,849,056	698,413,808
Federal Funds (Nonlimited)	166,409,347	185,102,399	185,102,399
Total Funds	\$3,278,400,730	\$3,712,192,394	\$4,163,296,792
Positions	433	482	484
Full-time Equivalent	366.57	463.87	479.38

### OVERVIEW

The Oregon Housing and Community Services Department (OHCS) works to provide stable and affordable housing and engage leaders to develop integrated statewide policy addressing poverty and homelessness to provide opportunities for Oregonians. The Department is Oregon's housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for Oregonians of lower and moderate income. OHCS administers federal and state anti-poverty, homelessness, and energy assistance and community service programs. OHCS also assists in the financing of single-family homes, the new construction or rehabilitation of multifamily affordable housing developments and funding to support the stability of naturally occurring affordable housing, as well as grants and tax credits to promote the construction of projects that increase the supply of affordable rental housing and homeownership units.

### GOVERNOR'S BUDGET

The Governor's budget for OHCS is \$4,163.3 million total funds, which includes \$1,143.9 million General Fund, \$46.7 million Lottery Funds, and 484 positions. This is 12.2 percent total funds increase from the 2023-25 Legislatively Approved Budget (LAB). The Governor's budget provides critical ongoing support for programs funded in the 2023-25 LAB, which align with the goals outlined in the Governor's Homelessness State of Emergency Executive Order directing state agencies to prioritize reducing homelessness and increasing housing production. The budget makes a substantial investment of General Fund and bonding authority to focus on preventing and reducing homelessness, increasing affordable housing supply, and promoting homeownership opportunities for people who have experienced housing disparities.



Highlights of Governor Kotek's housing budget include:

- Continuation of the Homelessness emergency response and Homeownership efforts and ongoing costs, \$771.7 million General Fund, not including debt service for new bond issuances highlighted below:
  - Maintaining support for shelter operations and housing-focused support activities, \$217.9 million;
  - Extending the Oregon Rehousing Initiative to sustain rehousing goals and serve additional households/long-term rental assistance, \$293.4 million;
  - Preventing over 20,000 evictions, \$173.2 million;
  - Tribal housing and homelessness response, \$12.8 million;
  - Increasing rental assistance and service components for Permanent Supportive Housing (PSH) and adding 400 additional slots for PSH, \$11.1 million;
  - Capacity expansion for culturally responsive property management, \$3.0 million;
  - Down payment assistance, \$37.5 million;
  - Manufactured home replacement, \$2.5 million;
  - Foreclosure avoidance counseling, \$2.5 million;
  - Homeownership Development Incubator Program, \$16.6 million;
  - Homeownership center funding to backfill a reduction in document recording fees, \$1.0 million;
  - OHCS staffing for emergency response and long-term efforts, \$10.0 million;
- General Obligation bonds for Local Innovation and Fast Track housing bonds and PSH, \$880.0 million.
- Lottery revenue bonds and General Fund for housing and manufactured home park preservation, \$185.0 million.

A focus on equity is interwoven among all the investments made in the Governor's budget. Current and historic marginalization based on protected classes, especially race, has created barriers to accessing safe, stable, and affordable housing. By increasing resources for homelessness prevention and response, affordable housing production and down payment assistance, households who have faced inequities have a higher chance of securing long-term housing stability. In addition, the budget invests in capacity building grants to culturally responsive organizations to enable community partners to conduct outreach to those most in need.

## REVENUE SUMMARY

The Department receives General Fund for Housing Stabilization related programs and housing development, and Lottery Funds for debt service. Most of the Department's programs are funded with either Federal or Other Funds. Other Funds are derived from a variety of sources, including bond sales, loan repayments, public utility charges, document recording fees, and manufactured home tax assessments. The Department's Federal Funds are received from the U.S. Department of Housing and



Urban Development (HUD), the U.S. Department of Health and Human Services, the U.S. Department of Energy, the Corporation for National and Community Service, NeighborWorks, and the Bonneville Power Administration.

## **AGENCY PROGRAMS**

### **Housing Stabilization Programs**

Housing Stabilization Programs provide critical services to Oregonians with the lowest incomes by addressing housing instability and helping more Oregonians access safe, stable, and affordable housing options. The Housing Stabilization Programs division passes federal and state resources through to Oregon's community action network and their partners to enable local communities to provide a continuum of services helping individuals and households with low incomes. The three programs in this area are homelessness services, housing retention and energy services.

Homelessness services are delivered through local providers to enable households that are homeless or at risk of homelessness to regain or maintain stable housing. Through a variety of state and federal funding sources, qualified Oregonians have access to services including emergency shelter, rapid re-housing, transitional or permanent supportive housing, rental assistance, case management, and other assistance needed to stabilize housing.

Housing Retention delivers eviction prevention funding, including specific set-asides for culturally specific organizations, youth and family focused stabilization programs, legal and tenant protection programs, and asset building through Individual Development Accounts. Programs are delivered by community-based organizations, culturally responsive organizations, and community action agencies.

Energy Services provides services delivered by community action agencies. Clients of these programs are households earning either 60 percent or less of state median income or 200 percent or less of the federal poverty level, with priority given to seniors (60 years of age and older), people with disabilities, and households with children.

The budget includes substantial investments to sustain efforts began in the 2023-25 biennium to address homelessness across the entire state, including shelter operations, the rehousing initiative (including long term rental assistance), and preventing evictions. The Governor's budget for Housing Stabilization Programs is \$1,103.4 million total funds, which includes \$751.0 million General Fund and supports 70 positions. The General Fund budget represents a 42.6 percent increase from the 2023-25 LAB.

### **Project-Based Rental Assistance Programs**

Project-Based Rental Assistance Programs (PBRAs) include: 1) HUD Contract Administration (HCA), 2) HUD 811 PBRA (HUD 811), and 3) Permanent Supportive Housing Project-Based Rent Assistance. HUD Contract Administration is Oregon's Performance Based Contract Administrator for the project-based Housing Choice Voucher Program and oversees approximately 254 contracts in Oregon. Duties include subsidy payments to owners and tenant complaint resolution. The Housing Choice Voucher Program is

managed by HUD and subsidizes housing for individuals and families with low incomes. At the local level, the program is administered by Public Housing Agencies.

The budget includes Article XI-Q General Obligation bonds in the amount of \$80.0 million for construction of approximately 500 Permanent Supportive Housing (PSH) units. These units are critical in helping people facing chronic homelessness find and maintain housing stability. People residing in PSH units often receive rental assistance and supportive services to successfully maintain their housing.

The Governor's budget for Project-Based Rental Assistance Programs is \$230.6 million total funds, which includes \$37.9 million General Fund and supports 25 positions. The General Fund budget represents an 86.5 percent increase from the 2023-25 LAB. A little over 80 percent of the budget is funded with Nonlimited Federal Funds from HUD for Housing Choice Voucher rental subsidies paid directly to affordable rental housing owners on behalf of tenants.

### **Multifamily Rental Housing Programs**

Multifamily Rental Housing programs provide housing options for low- and moderate-income and at-risk Oregonians through administration of federal and state-funded affordable rental housing resources. These resources assist in the development of new housing units, acquisition and rehabilitation of existing housing units, and preserving affordable housing properties, including those with project-based federal rental subsidies. The Department's efforts in funding new construction, acquisition and rehabilitation, and preservation of affordable rental housing help address the significant need throughout the state.

The budget includes lottery bond authority of \$185.0 million to invest in affordable housing preservation and manufactured park preservation projects. It also includes \$800.0 million of General Obligation Local Innovation and Fast Track (LIFT) bonding for the construction of affordable rental housing (\$700.0 million) and homeownership projects (\$100.0 million). The proceeds of these funds are contained within the Capital Construction budget for OHCS.

The Governor's budget for Multifamily Rental Housing Programs is \$527.3 million total funds and supports 145 positions. The total funds budget represents a 10.8 percent decrease from the 2023-25 LAB due to the phase out of one-time investments. Multifamily Rental Housing programs are primarily funded through Other Funds resources including tax credits, loan repayments from the Department's revolving loan funds, Oregon's public purpose charge, document recording fees, charges for services, bond proceeds, and the Housing Finance Account. Additionally, Multifamily Rental Housing programs receive Federal Funds from HUD for both the Housing Choice Voucher program and the HOME Investment Partnership Program.

### **Single Family Housing Programs**

Single Family Housing programs provide financing and services that increase homeownership, provide homebuyer education and stabilize residential neighborhoods. OHCS achieves these objectives by offering affordable, at or below market rate residential loans to qualified first-time homebuyers, as well as assistance with closing costs. The program assists homeowners to maintain and retain their homes through post-purchase education, foreclosure counseling, foreclosure assistance, health and safety repairs, and providing resources specific to manufactured housing. These programs benefit individuals who are typically not served by traditional lenders, and who would not otherwise have access to the housing market and homeownership services. The Homeownership Programs Section in OHCS contracts with nonprofit homeownership centers, local governments, public housing authorities, and nonprofit organizations serving as a one stop shop for prospective homeowners and current homeowners.

The Governor's budget continues funding the down payment assistance program for Oregonians with low to moderate incomes by adding \$37.5 million General Fund. This program recognizes accumulating a down payment can be a significant barrier to working families who could otherwise afford the mortgage and accompanying costs of homeownership. This down payment program builds on the relationships OHCS already has with local banks and lenders and provides a product not available through the private sector. This program creates the possibility of homeownership for Oregonians, especially those who have experienced barriers to accessing homeownership.

The Governor's budget for Single Family Housing Programs is \$151.0 million total funds, including \$64.7 million General Fund and supports 36 positions. The General Fund budget reflects a 122.5 percent increase from the 2023-25 LAB, largely due to the investments in the Homeownership Development Incubator Program (\$16.9 million) and for down payment assistance (\$37.5 million).

### **Disaster Recovery and Resiliency Programs**

Disaster Recovery and Resiliency Programs division was created to help Oregon wildfire survivors recover from the 2020 Labor Day Fires. The Division launched the ReOregon program with a focus on assisting households with low to moderate income. The budget is primarily funded with federal Community Development Block Grant – Disaster Recovery funds, along with proceeds from Lottery Bonds previously authorized in the 2021-23 biennium. The Governor's budget for Disaster Recovery and Resiliency Programs is \$176.4 million total funds and supports 42 positions.

### **Central Services**

The Central Services program area includes the Director's Office; Chief Operating Office, which includes Administrative Services, Human Resources and Information Technology Services; and the Chief Financial Office, which includes the Budget, Finance and Research sections, Public Affairs, and support for the Housing Stability Council. Central Services provides these services across the Department. The budget adds staff in Central Services to support the significant growth in program services that occurred over the last two biennia.

The Governor's budget for Central Services is \$62.4 million total funds and supports 157 positions. This represents an 11.5 percent increase from the 2023-25.

### **Bond Activities and Debt Service**

The OHCS Bond Related Activities program provides safe and affordable rental housing to Oregonians with low incomes and provides opportunities for first-time homebuyers to finance mortgages at or below market interest rates. Bond related activities include disbursement of bond proceeds to finance multifamily and single-family mortgage loans, bond issuance costs, administrative expenses related to outstanding debt, and asset protection costs associated with foreclosures and acquired properties. OHCS sells tax-exempt bonds to investors and uses the proceeds to finance multifamily and single-family mortgage loans. The Governor's budget for bond activities and debt service is \$1,032.1 million total funds and supports nine positions. The \$272.6 million General Fund budget represents a 114.8 percent increase from the 2023-25 LAB due to an increase in debt service for Article XI-Q bonding. The funding for this program continues support for existing programs in the Multifamily Rental and Single Family Housing programs.

### **Capital Construction**

The Capital Construction program unit manages proceeds from Article XI-Q bonds for affordable housing development projects, which is called the LIFT housing program. The LIFT program's objective is to build new affordable housing for families with low incomes. In response to the overwhelming demand for LIFT funds, \$600.0 million of LIFT bonds were authorized in the 2023-25 biennium. Because Capital Construction proceeds can be spent over six years, the expenditure limitation is not carried between biennia.

The Governor's budget makes a new investment of \$880.0 million in Article XI-Q bonds for the 2025-27 biennium to continue providing resources to build affordable housing for households with low incomes. Of this amount, \$80.0 million is for the construction of Permanent Supportive Housing units and \$800.0 million is for LIFT units. At a time when there is a shortage in affordable housing across the state, this additional source of housing funds is a significant investment by the state in creating new housing for Oregonians.

## Oregon Department of Veterans' Affairs

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$7,947,203	\$9,795,850	\$10,417,559
Lottery Funds	17,928,443	22,903,358	25,421,414
Other Funds	105,002,123	141,425,696	191,075,778
Federal Funds	524,738	3,932,620	1,961,694
Other Funds (Nonlimited)	273,376,471	261,125,000	383,478,769
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$404,778,978	\$439,182,524	\$612,355,214
Positions	102	103	108
Full-time Equivalent	101.97	102.23	105.75

### OVERVIEW

The Oregon Department of Veterans' Affairs (ODVA) originated through the passage of a ballot measure adopted in the 1944 election to provide farm and home loans to veterans and now serves veterans through various programs beyond farm and home loans. ODVA's mission is to honor and serve all Oregon veterans and their families by aligning and delivering earned benefits and services that enhance and improve their lives in recognition of their service to our nation. Its vision is that all veterans and their families thrive in Oregon. ODVA executes its mission, delivering and administering 27 veteran programs, in response to a diverse veteran community.

### GOVERNOR'S BUDGET

The Governor's budget provides a total of \$612.4 million, including \$10.4 million General Fund and \$25.4 million supported by Lottery Funds. Investments include an additional \$4.0 million in available Lottery Funds, intended to strengthen the department's ability to provide services and outreach to more veterans, support local partners, and enhance assistance in the areas of education and workforce. The budget also includes \$0.6 million General Fund in housing related investments for the incarcerated veterans' program as part of the Governor's Homelessness and Housing Initiative.

### REVENUE SUMMARY

The Department funds its programs with a mix of General Fund, Lottery Funds, and Other Funds revenue. A significant portion of the Other Funds budget is designated as Nonlimited and is derived from loan payments in the Home Loan Program, general obligation bond proceeds, and investments. The limited portion of Other Funds revenue is received from fees from the Conservatorship Program and loan-related services, rent from leasing space within the Veterans' building; funding received from the United States Department of Veterans' Affairs (USDVA) for operating the two veteran homes (including

Medicare and Medicaid reimbursements); and investment earnings. The Department also receives a small amount of Federal Funds from grants.

## **AGENCY PROGRAMS**

### **Operations**

The operations program consists of the Director's Office, the Veteran Advisory Committee, Financial Services, Information Services, Facility Services, Human Resources, and Public Information. The Director's Office provides leadership and strategic direction, ensuring alignment with legislative mandates and veterans' needs. The Veteran Advisory Committee serves as a liaison for veterans, offering feedback and guidance on program effectiveness. The remaining programs provide support to agency operations.

The Governor's budget for Operations is \$25.7 million total funds and supports 50 positions. The budget and positions within Operations were transferred from other parts of the agency. The Governor's budget strengthens ODVA's operational programs by adding key positions for strategic alignment of the Department's administrative and programmatic duties, to enhance ODVA's abilities to deliver services to both current and future veterans.

### **Home Loan Program**

The Home Loan Program provides low-interest rate mortgages on single-family, owner-occupied homes to qualified veterans. Oregon is one of only five states that have been grandfathered under federal tax law to offer a state veteran home loan program. Tax-exempt bond revenue is used to finance the loans. Loan repayments and investment earnings pay off the bonds and cover the cost of program administration. As of March 30, 2023, the Department's loan portfolio consisted of approximately 1,416 loans totaling more than \$322 million. In 2024, ODVA increased the maximum home loan limit for veterans to conform to loan limits set by the Federal Housing Finance Agency, which allows ODVA to accept loans up to \$766,550.

The Governor's budget for the Home Loan Program totals \$5.9 million total funds and supports 13 positions. The Home Loan program is a self-supporting program, using Other Funds revenue for operations. The Other Funds monies are derived from a constitutionally dedicated fund, the "Oregon War Veterans' Fund," created for certain veteran programs, per Article XI-A of the Oregon Constitution. Revenues are derived from loan and contract repayments, proceeds from bond sales, fee and rental income and investment earnings. The Governor's budget supports the continuing operations and maintenance of the program's new Home Loan servicing system and provides additional staff to support a home loan refinancing program, which ODVA plans to implement through the administrative rule process.



## **Appeals and Special Advocacy**

The Appeals and Special Advocacy Division is responsible for providing advocacy and access to earned benefits for veterans, and their eligible dependents and survivors. The program provide benefits counseling, claims and appellate representation, certification, and training for ODVA, County, and Tribal Veterans Service Officers (VSOs), and other service delivery partnerships across the state. The Division works closely with VSOs located within all 36 counties and four Tribal nations to provide both direct assistance to veterans, their dependents, and survivors as well as indirect assistance through a statewide network of county and tribal VSOs in addition to community partners. The Program employs coordinators and advocates for traditionally underserved veterans, including women, LGBTQ+ identifying, and houseless veterans. These coordinators work directly with veterans, their families, and a network of other supports across the state to help address challenges and barriers unique to veterans and their communities.

The Governor's budget for the Appeals and Special Advocacy Division is \$7.0 million total funds and supports 16 positions.

## **Strategic Partnership**

The Strategic Partnership Division provides direct and indirect services for Oregon veterans and their families, helping to ensure advocacy and access to earned state and federal benefits. The programs provide benefits counseling, claims and appellate representation that are specific to certain veteran populations. The Strategic Partnerships Division maintains collaborative partnerships with federal, state, county, tribal, and non-profit stakeholders serving underrepresented veteran populations and disproportionately impacting veterans in our communities. Some of these issues include veterans experiencing homelessness, behavioral health, employment and suicide prevention and awareness.

The Division manages a number of grant programs that target specific veteran's needs as well as state pass-through funding to VSOs located within counties, National Service Organizations, and Oregon's federally recognized Tribes that have a Memorandum of Understanding with ODVA. The Division leads ODVA's work on veteran suicide prevention by administering Charitable Checkoff Funding for Veteran Suicide Prevention through awarding Veteran Suicide Awareness and Prevention grants to counties, Tribes, and public universities and community colleges, as well as Oregon's participation in the VA/SAMHSA Governor's Challenge to Prevent Suicide Among Military Members, Veterans and Their Families.

The Governor's budget includes over \$3.5 million in grant funding for the Veteran Services Grant, rural healthcare transportation, education related grants (including the Campus Veteran Resource and Veterans Education Bridge grants), as well as additional funding for continuing development of Tribal Veteran Service Officer programs for Oregon's federally recognized tribes. The Governor's budget adds a Veteran Behavioral Health Coordinator to increase outreach to veterans about the availability and importance of behavioral health services, including increased outreach for veteran suicide awareness and prevention. Finally, to address significant issues facing veterans experiencing homelessness or housing related issues, the budget increases the Veterans Emergency Financial Assistance grant to \$1.0



million and of that amount dedicates \$0.5 million to assist veterans facing homelessness or housing issues. The budget also provides ODVA with an additional position and \$0.4 million in grants to expand the Incarcerated Veterans Program to assist veterans exiting, or who have exited, incarceration as they transition back into their communities.

The Governor's budget for the Strategic Partnership Division is \$22.6 million total funds and supports 13 positions.

### **Oregon Veterans' Home Program**

The Oregon Veterans' Home Program provides eligible veterans and their families with skilled nursing, Alzheimer's and memory care, and rehabilitative care in an environment understanding the unique needs of the men and women who served our country in uniform. There are currently two Oregon Veterans' Homes; one in The Dalles and one in Lebanon. The development of a third home in Roseburg is currently in the planning stage. The cost of care is supported with Other Funds revenue primarily derived from resident-related payments, including funds from USDVA, Medicare, Medicaid, insurance companies, and private payers. The Department contracts with Veterans Care Centers of Oregon, a non-profit organization, for the day-to-day operation of the facilities.

The Governor's budget for the Oregon Veterans' Home Program totals \$128.0 million total funds and supports four positions. This is a 10.0 percent increase from the 2023-25 LAB. The Governor's budget provides the necessary resources to staff and operate the current facilities in The Dalles and Lebanon and invests an additional \$5.6 million in expenditure limitation to complete deferred maintenance and capital projects at both The Dalles and Lebanon Veterans' Homes.

### **Aging Veteran Services Program**

The Aging Veteran Services Program was established to focus on the needs of Oregon's growing population of aging veterans and their families. More than 53 percent of Oregon veterans served during WWII, Korea, and Vietnam eras. Older veterans and their families will increasingly need access to long-term care services and supports, home and community based services, as well as access to medical care. The Aging Veteran Services Program is the front line for connecting aging veterans to available benefits and resources.

The program offers the following three programs: conservatorship and representative payee services, veteran volunteer activities, and aging veteran outreach initiatives. The Conservatorship and Representative Payee Program assists veterans who are not able to independently manage their financial affairs. The Veteran Volunteer Program is a statewide network of volunteers trained to locate veterans, assist them in recognizing potential earned benefits and services and connect them to individuals and organizations for additional assistance. The Aging Veterans Outreach Program works with partners on behalf of aging veterans to coordinate benefits and services specific to this population. The Governor's budget for Aging Veterans Services is \$4.3 million total funds and supports 12 positions.

**Nonlimited Program**

The Nonlimited Program provides both loan and bond expenditures related to the Home Loan Program. The loan-related expenditures consist of loans made to veterans, payment of property taxes, hazard insurance, foreclosure, and state-owned property costs, and other costs incurred to protect the state's interest in property used to secure a loan.

The Governor's Nonlimited budget for ODVA provides the resources necessary to support the Home Loan Program and pay debt service associated with the program. The total budget is \$383.5 million, representing a 47.0 percent increase from the 2023-25 LAB, largely due to the proposed sale and use of \$116.0 million in revenue bonds for the Home Loan Program.

**Capital Construction**

This budget structure contains the expenditure of capital construction projects. The Governor's Budget is \$35.4 million total funds, which consists of a \$35.0 million bond sale to provide the match required by the U.S. Department of Veteran Affairs for the construction of the Roseburg Veterans Home. While not included in the budget for the Department, the Governor's budget supports maintaining and carrying-over a \$35.0 million special purpose appropriation within the Emergency Fund as match for the Roseburg Veterans Home. The proposed bond sale is an available resource once federal funding for the project is awarded and could be used as state match at the time of construction.

# NATURAL RESOURCES

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Program Area and Agency Information



## NATURAL RESOURCES AGENCIES

### Natural Resources Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$892,153,436	\$694,537,394	\$695,432,354
Lottery Funds	240,503,592	325,856,434	378,163,501
Other Funds	1,220,992,196	1,834,476,776	1,861,962,082
Federal Funds	261,000,986	498,022,029	505,234,463
Other Funds (Nonlimited)	171,843,329	339,760,970	408,513,702
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,786,493,539	\$3,692,653,603	\$3,849,306,102
Positions	5,654	5,828	5,829
Full-time Equivalent	4,623.60	4,863.93	4,947.34

#### OVERVIEW

The Natural Resources Program Area encompasses the work of 14 agencies whose more than 30 programs are tasked with managing Oregon's air, water, land, and wildlife and the state's responsibility to do its part to address climate change. The program area includes the Department of State Lands, the State Marine Board, the Department of Energy, the Department of Environmental Quality, the Columbia River Gorge Commission, the Department of Agriculture, the Department of Forestry, the Department of Geology and Mineral Industries, the Parks and Recreation Department, the Department of Fish and Wildlife, the Department of Land Conservation and Development, the Land Use Board of Appeals, the Water Resources Department, and the Watershed Enhancement Board.

#### GOVERNOR'S BUDGET AND KEY INVESTMENTS

The Governor's budget for the Natural Resources Program Area is \$3,849.3 million, which includes \$695.4 million General Fund and \$378.2 million in discretionary and Measure 76 Lottery Funds. In the 2023-25 biennium, the Natural Resources Program Area received nearly \$235 million in one-time General Fund investments. The Governor's budget prioritizes maintaining on-going funding, and continuing significant increases in agency programs and staffing related to water, forestry, wildfire, and addressing climate change, identifying opportunities to leverage Federal Funds where possible. The budget also provides a plan to allow ODF to manage large fire costs without utilizing agency resources dedicated to other efforts.

**Climate and Energy.** To meet the state's climate pollution reduction goals, the Governor's budget includes efforts to advance Community Energy Resilience and climate change mitigation in the Natural Working Lands Fund. The Governor's Budget deposits \$25.0 million into the Community Renewable

Investment Fund to support additional projects. The Oregon Department of Energy received 75 applications requesting over \$47 million to support projects in the most recent round of grant funding. Awards were chosen on a competitive basis with the help of a grant application evaluation committee, which included community-based organizations, renewable energy advocates, industry leaders, and technical experts from across the state. The budget also deposits \$5.0 million into the Natural Working Lands Fund, which the Oregon Climate Action Commission will utilize to make targeted investments to decrease greenhouse gas emissions, protect the health and well-being of Oregonians, and ensure that Oregon's economy remains vibrant and healthy.

**Private Forest Accord.** The Private Forest Accord sets the framework for the reimagining of Oregon's Forest Practices Act, impacting millions of acres of private and non-federal forests, providing regulatory certainty and better protection of natural resources. The agreement, which was the culmination of extensive negotiations between the timber industry and conservation groups was enacted in 2022, within Senate Bills 1501, 1502, and House Bill 4055, including one-time and ongoing funding. Much of the work to implement this legislation continues in the 2025-27 biennium with a focus on the completion of a Habitat Conservation Plan (HCP) in late 2025. The Governor's budget reserves funding to be used after the HCP is finalized for grants to small forestland owners investing in stream habitat. The budget makes meaningful progress toward further implementation by maintaining the increased staffing funded in 2022 necessary to complete the development of the Private Forest Accord, both in the Department of Forestry and in the Department of Fish and Wildlife. Between the two agencies, the budget reserves an additional investment of \$14.0 million into grant programs that support the Private Forest Accord.

**Wildfire.** The 2024 Wildfire Season more than doubled the highest cost of any previous wildfire season. The costliest fires season prior, 2020, totaled just under \$140 million gross, while the 2024 season has been calculated at over \$352 million. The current structure of Wildfire Funding requires firefighting agencies to absorb the immediate costs while the State and Federal processes reconcile to provide reimbursements. The Governor's budget provides \$150.0 million between the Department of Forestry and the Department of the State Fire Marshal to act as revolving funds for the agencies to manage large fire costs without jeopardizing other agency commitments.

**Water.** The Governor's Budget includes \$20 million in renewed investment into water development project grants focusing on those that provide communities throughout Oregon with economic, environmental, and social benefit. These projects include those that conserve, reuse, and store water and those projects that protect and restore stream flow. The Governor's budget also supports rural communities through a \$1.0 million dollar infusion of funds to the Water Well Abandonment, Repair and Replacement Program. Given the nexus between equity, environmental justice and water access, the Governor's budget provides \$1.0 million for the Drinking Water Source Protection program, which prioritizes resources for water suppliers serving rural and/or lower-income populations.

## Oregon Department of Agriculture

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$75,001,221	\$57,988,648	\$42,206,989
Lottery Funds	10,491,201	9,323,768	9,877,824
Other Funds	90,737,302	97,593,748	112,934,774
Federal Funds	16,097,385	24,616,353	24,220,694
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$192,327,109	\$189,522,517	\$189,240,281
Positions	536	523	482
Full-time Equivalent	407.52	402.26	396.89

### OVERVIEW

The Oregon Department of Agriculture (ODA) delivers services to keep food products safe, enhance Oregon's economy, and foster a healthy environment in which we work and live. The mission of the Department is to ensure healthy natural resources, a sustainable environment, and a thriving economy for Oregonians now and in the future, through inspection and certification, regulation, and promotion of agriculture and food. ODA has operational policy areas, including Administration and Support Services, Food Safety/Consumer Protection, Natural Resources, and Market Access, Development, and Certification/Inspection.

### GOVERNOR'S BUDGET

The Governor's budget for ODA includes \$189.2 million total funds and 482 positions, which is a 0.2 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). The budget includes an investment to begin an agency modernization effort, including more efficient information technology solutions.

### REVENUE SUMMARY

The Department is primarily funded by Other Funds, which includes fees for licenses, registrations, inspections, certifications, and reimbursements under federal service contracts. ODA also has a combination of General Fund, Lottery Funds, and Federal Funds. Lottery Funds come from the Measure 76 operating portion of the Parks and Natural Resources Fund. Sources of Federal Funds include grants supporting survey and detection of invasive species, USDA Cooperative Agricultural Pest Surveys, and U.S. Farm Bill funded programs.

ODA strives to work collaboratively with stakeholders on fee changes that fund program operations. However, fee revenue has not always kept pace with costs due to inflationary pressures on program

expenditures, as well as the changing dynamics of some programs. The Governor's budget supports fee increases, which will provide needed financial support for programs in the 2025-27 biennium. Fee changes include increases for Food Safety, Pesticide Registration, and the Weights and Measures program is also included, as it is scheduled to go into effect in the 2025-27 biennium.

## **AGENCY PROGRAMS**

### **Administrative and Support Services**

The Administration and Support Services program includes the Directors Office; an information office, which responds to public and media requests; and an administrative services office, which manages the executive functions of the department and provides related business, accounting, and technical support. The Governor's budget for the program is \$33.3 million total funds and 42 positions and includes funding for the One ODA modernization effort.

### **Food Safety/Consumer Protection Policy Area**

The Food Safety/Consumer Protection Policy Area inspects all facets of Oregon's food distribution system (except restaurants) to ensure food is safe for consumption, protects and maintains animal health, and ensures animal feeds meet nutritional and labeling standards. The Governor's budget for this program is \$48.2 million total funds and 113 positions.

### **Natural Resources Policy Area**

The Natural Resource Policy Area protects Oregon's natural resources for future generations, maintains agricultural lands, benefits water, fish, wildlife, and native plants, reduces exposure to toxics, and maintains agriculture's economic sustainability. The Governor's budget for this program is \$63.1 million total funds and 156 positions.

### **Market Access, Development, Certification/Inspection Policy Area**

The Market Access, Development, Certification/Inspection Policy Area assists Oregon's agricultural producers in successfully selling and shipping products to local, national, and international markets. The marketing portion of the program works to promote and create demand for Oregon agricultural products. The inspection and certification portion of the program adds value by providing services to facilitate product movement and overcome trade barriers and technical constraints affecting agricultural traded sectors. The Governor's budget for this program is \$42.7 million total funds and 171 positions.



## Columbia River Gorge Commission

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$1,377,034	\$2,502,980	\$2,076,661
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,377,034	\$2,502,980	\$2,076,661
Positions	0	0	0
Full-time Equivalent	0.00	0.00	0.00

### OVERVIEW

Established by an interstate compact between Oregon and Washington in 1987, the Columbia River Gorge Commission was authorized by and charged with implementing the Columbia River Gorge National Scenic Area Act of 1986. The Scenic Area Act envisioned continued economic growth and development within existing urban areas in a manner consistent with the protection and enhancement of scenic, cultural, recreational and natural resources. The Commission functions as the permanent regional land use policy body for the National Scenic Area (NSA), a 292,500-acre region stretching along both shores of the Columbia River for 85 miles— from the edge of the Portland-Vancouver metro area to the mouth of the Deschutes River between Wasco and Sherman Counties.

The Commission has an oversight role for the entire NSA and functions as a convener and resource for collaborative regional efforts, maintaining partnerships with local, county, state, federal government, tribal, and other organizations. Responsibilities of the Commission include the adoption and maintenance of a management plan, review and approval of local land use ordinances for the NSA, appellate review of decisions made under the ordinances, and coordination of gorge resource development efforts envisioned by the National Scenic Act. It also coordinates with the U.S. Forest Service, which administers recreation facilities, helps design resource protection projects, and provides information to Gorge visitors.

### GOVERNOR'S BUDGET

The Governor's budget is \$2.1 million General Fund. The budget allows the Commission to continue current services and adds funding to pay for the third and final phase of a replacement project to move the Commission to an updated information management system.

**REVENUE SUMMARY**

Under the terms of the interstate compact, Oregon and Washington agree to fund their own Commissioner programs and equally apportion the costs of the Commission's Joint Expenses program. For administrative purposes, the Commission's budget resides in the state of Washington and its staff members are considered Washington state employees. The Governor's budget reflects payments to Washington State from the General Fund and expenses relating to Commission members from Oregon.

**AGENCY PROGRAMS****Joint Expenses**

The Joint Expenses program unit encompasses the majority of the Commission's activities and expenditures—typically, representing between 97 and 98 percent of the agency budget. Pursuant to the interstate compact, Oregon finances one-half of these costs with General Fund while Washington funds the other half. The budget for Joint Expenses is \$2.0 million total funds.

The Commission's responsibilities include setting policy for the Gorge through a Scenic Area Management Plan, administering ordinances to implement the Plan, serving as a development appeals board and monitoring resource conditions in the Gorge.

**Commissioner Expenses**

The Commissioner Expenses program provides for Oregon Commissioners per diem, training, and travel expense. This also includes a portion of State Government Service Charges for centralized services provided by the State of Oregon. The budget for Commissioner Expenses is \$56,860 General Fund.

## Oregon Department of Energy

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$99,490,660	\$61,413,105	\$40,092,499
Lottery Funds	3,022,567	1,439,160	0
Other Funds	39,492,867	147,459,848	112,590,983
Federal Funds	2,699,640	16,211,130	22,728,046
Other Funds (Nonlimited)	30,622,277	29,356,709	25,132,193
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$175,328,011	\$255,879,952	\$200,543,721
Positions	101	130	123
Full-time Equivalent	95.64	122.50	121.75

### OVERVIEW

The Oregon Department of Energy's mission is to lead Oregon to a safe, equitable, and sustainable future. The Department accomplishes this mission by acting as a central repository of energy data, information and analysis. It also creates a venue for problem solving Oregon's energy challenges, providing both energy education and technical assistance. Finally, it provides programs, oversight and regulation for the energy industry in Oregon.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Department of Energy includes \$200.5 million total funds and 123 positions. This is a 21.6 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). The decrease is largely due to the phase-out of one-time energy incentive investments made during the 2023-25 biennium. The 2025-27 Governor's budget authorizes expenditure limitation to continue energy incentive programs with revenues approved in previous biennia and includes General Fund carryforward packages to finish one-time programs authorized in 2023-25. The budget also includes a \$25 million General Fund investment for deposit into the Community Renewable Investment Fund.

### REVENUE SUMMARY

The budget does include significant General Fund; however, the Department's primary sources of revenue are Other Funds and Federal Funds, which are derived from the following:

- Fees charged and other revenue collected for administration of certain programs such as the Energy Facility Siting, Public Purpose Charge, Energy Northwest, and other fees collected for oversight activities;
- Energy Supplier Assessment, an annual assessment on Oregon energy suppliers; and
- Federal Funds including grants from the U.S. Department of Energy.

## **AGENCY PROGRAMS**

### **Energy Planning & Innovation**

The Energy Planning and Innovation Division develops state policy and goals relating to energy efficiency and renewable energy. The Division includes the Energy Efficiency and Conservation section, which provides supports to the advancement of energy efficiency standards and codes. The Section also provides analysis and technical assistance to improve energy efficiency in the public, residential, commercial, industrial, and agricultural sectors. The Energy Technology and Policy section focuses on renewable energy resources, utility planning, sustainable transportation, and climate change. The Governor's budget for this program is \$26.1 million total funds and 39 positions and includes an investment to maintain federal matching requirements of the ongoing federal Grid Resilience program.

### **Energy Development Services**

The Energy Development Services Division administers incentives for businesses, households, and the public sector to reduce the cost of energy for Oregonians through energy efficiency and renewable energy. The Small-Scale Energy Loan Program (SELP) continues to administer loans but ceased issuing new loans in 2017. The Division will continue to wrap up its responsibilities under the programs that have sunset. Additionally, the Division supports the Community Renewable Energy Grant program, the Oregon Solar + Storage Rebate program, and heat pump incentive programs. The budget includes funds being carried forward into the 2025-27 biennium and increases the Community Renewable Energy Grant program by \$25.0 million. The Governor's budget for the program is \$139.9 million total funds and 17 positions.

### **Nuclear Safety and Energy Emergency Preparedness Division**

The Nuclear Safety and Energy Emergency Preparedness Division works to provide safe energy through oversight of nuclear waste cleanup activities at the Hanford nuclear site to ensure decisions regarding cleanup protect the Columbia River. The Division also provides emergency preparedness for potential hazards, including nuclear reactor accidents, transportation of radioactive materials through Oregon, operation of Liquefied Natural Gas (LNG) import terminals and petroleum shortages, which could impact emergency and essential services. The Governor's budget for the program is \$4.5 million total funds and seven positions and includes a carryforward of County Energy Resilience grants.

### **Energy Facility Siting Division**

The Energy Facility Siting Division works with energy facility developers and operating energy facilities to meet the state's energy infrastructure and demand needs, and to ensure large power plants, transmission lines, and natural gas pipelines built in Oregon meet state siting standards. The budget adds one position to allow for more efficient evaluations of site certificate holder plans. The Governor's budget for this program is \$7.4 million total funds and 14 positions.

### **Administrative Services Division**

The Administrative Services program area consists of the Director's Office and the Central Services Division. The Director provides operational and policy leadership and direction for the Department. The Director's Office functions include internal audits, communications and outreach, human resources management, and government relations. The Governor's budget for the program is \$22.6 million total funds and 46 positions.

## Department of Environmental Quality

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$106,936,680	\$90,277,625	\$84,639,686
Lottery Funds	6,263,230	6,812,996	7,027,034
Other Funds	225,035,739	322,722,914	359,207,647
Federal Funds	21,407,829	42,750,723	43,232,998
Other Funds (Nonlimited)	126,307,831	291,351,800	362,631,975
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$485,951,309	\$753,916,058	\$856,739,340
Positions	833	866	894
Full-time Equivalent	815.86	855.31	881.64

### OVERVIEW

The Department of Environmental Quality (DEQ) leads efforts to restore, maintain, and enhance the quality of Oregon's air, water, and land. The Department administers most of the state's pollution laws, as well as the federal Clean Water Act and the Clean Air Act. The Environmental Quality Commission's five-member board sets policy direction for DEQ. The Department has five major program areas: Air Quality, Water Quality, Land Quality, Agency Management, and Loan programs.

### GOVERNOR'S BUDGET

The Governor's budget for DEQ is \$856.7 million total funds and includes 894 positions, which is a 13.6 percent increase from the 2023-25 Legislatively Approved Budget. The Department's budget includes \$362.6 million of Nonlimited Other Funds, which are associated with the Clean Water Revolving Fund program. The budget makes investments to support Housing Production by adding capacity for stormwater management permitting and water quality certifications. The budget also includes support for Underground Carbon Sequestration regulatory framework development. Finally, the budget provides for internal agency capacities through adding laboratory equipment support and expanding capacity in the Orphan Site Cleanup program.

### REVENUE SUMMARY

DEQ is funded primarily with Other Funds but also receives General Fund, Measure 76 Lottery Funds, and Federal Funds. Other Funds revenue is provided by a variety of fees, permits, and charges for services. The Department strives to work collaboratively with stakeholders on fee changes funding program operations. The budget supports proposed fee increases in the Air Contaminant Discharge, Greenhouse Gas Reporting, and Water Quality programs.

## **AGENCY PROGRAMS**

### **Air Quality program**

The Air Quality program is responsible for administering and achieving air quality standards in Oregon under the federal Clean Air Act and state statutes. The program focuses on managing and restoring Oregon's air to protect people from breathing harmful toxins and pollution, reduce greenhouse gases, ensure visibility, and maintain the ability of business and industry to locate and thrive in our communities. The staff is responsible for regulating and monitoring air toxins, data analysis, enforcement, policy and planning, and rule development. The only area of the state not covered by DEQ is the Lane Regional Air Pollution Authority area. DEQ receives an appropriation for the Lane Regional Air Pollution Authority, which it passes on to the regional authority. The program works to reduce air pollution posing a threat to human health and the environment, including emissions from vehicles, woodstoves, fuels, solvents, field burning, asbestos removal, power generation, industry and other pollution sources. The program also works closely with the Oregon Health Authority on Cleaner Air Oregon, an initiative to update industrial air toxics regulations. The Governor's budget for Air Quality is \$167.9 million total funds 283 positions.

### **Water Quality program**

The Water Quality program assesses environmental conditions through monitoring and scientific analysis and sets water quality standards to protect human health, while at the same time assuring our waters are safe for fishing and swimming. The Division sets quality standards to ensure the water is clean, develops pollution control strategies, creates clean water management plans with local communities, and regulates industrial and municipal sources of water pollution through permits, inspections, and enforcement. Much of the work is done locally; however, DEQ staff directly manage the regulation of wastewater treatment plants, septic system permitting to protect groundwater, and the regulation of industrial discharge to the state's waters. The program works closely with the Oregon Water Resources Department and other state agencies to achieve goals and objectives of Oregon's Integrated Water Resources Strategy. The Governor's budget for the Water Quality program is \$113.8 million total funds and 262 positions. The budget makes an investment in Housing Production Framework Support by adding three positions to lower complexity and cost for housing development. The budget also supports Underground Carbon Sequestration permitting development.

### **Land Quality program**

The Land Quality program issues permits for facilities to ensure responsible management of solid waste and works with watersheds to minimize waste disposal. The program maintains reports on the use of toxic substances and generation of hazardous waste and provides technical assistance to businesses. Staff also provide oversight for the investigation and cleanup of contaminated properties and issues operating certificates to gas stations. Land Quality coordinates with federal, state, and local government partners to respond to spills of dangerous materials. The program also contains the ballast water program, which seeks to control invasive species being introduced into Oregon water by the ballast water of ships. Because of its responsibility to address marine oil spills, the program is responsible for coordinating with state, local, and federal partners to address emergency spills. The Governor's budget

for the Land Quality program is \$146.6 million total funds and 226 positions which includes a \$10 million expansion to the Orphan Site Cleanup program.

### **Agency Management**

The Agency Management program provides leadership, fiscal management, central services, and technical support to the Department. Agency Management includes the Director's Office, the Office of Outcome-based Management, the Office of Policy and Analysis, and the Office of Compliance and Enforcement. The Governor's budget for Agency Management is \$58.9 million total funds and 123 positions.

### **Nonlimited Budget**

The Nonlimited Budget program contains the Department's bond proceeds for its State Revolving Fund and the Orphan Site Account. The Clean Water State Revolving Fund provides below-market interest rate loans for the planning, designing, or construction of projects preventing or mitigating water pollution. Eligible agencies include tribal governments, cities, counties, sanitary districts, soil, and water conservation districts, irrigation districts, various special districts, and certain intergovernmental entities. The Orphan Site Account is used to fund investigations and cleanup at sites where parties responsible for the pollution are unknown, unable, or unwilling to perform cleanup-related work. The account is also used to meet Oregon obligations at federally funded Superfund sites. The Governor's budget for the program is \$340.4 million total funds and no positions.

### **Pollution Control Bond Fund Debt Service**

The Pollution Control Bond Fund Debt Service program acts as a storehouse for the Department to make debt service payments. The Division is typically used to support loans from the Clean Water State Revolving Fund and to support loans from the Orphan Site Fund toxic waste remediation program. The Division has no programs or positions. The Governor's budget includes \$29.1 million total funds and support investments in laboratory equipment.



## Oregon Department of Fish and Wildlife

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$74,319,235	\$70,912,893	\$65,983,114
Lottery Funds	6,886,493	7,253,227	10,003,454
Other Funds	194,731,818	292,692,770	311,764,782
Federal Funds	131,357,078	223,951,064	208,852,722
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$407,294,624	\$594,809,954	\$596,604,072
Positions	1,382	1,384	1,361
Full-time Equivalent	1,179.39	1,188.96	1,173.14

### OVERVIEW

The Oregon Department of Fish and Wildlife (ODFW) protects and enhances fish, wildlife, and their habitats for the use and enjoyment of present and future generations. The Department operates three major programs, which includes the Fish, Wildlife, and Habitat divisions, as well as the administration of the agency. The Department also maintains a contract with the Oregon State Police for fish and game wildlife enforcement. Finally, ODFW has a Capital Improvement program to maintain and repair department property, as well as a Major Construction and Acquisition program.

### GOVERNOR'S BUDGET

The Governor's budget for ODFW is \$596.6 million total funds, which is a 0.3 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The Department has 1,361 positions. The Governor's budget invests in fish hatchery infrastructure, continues staff supporting the Private Forest Accord and proposes a special purpose appropriation in the Emergency Fund for the administration of grants following the completion of a Habitat Conservation Plan.

### REVENUE SUMMARY

ODFW revenue comes from General Fund, Lottery Funds, Other Funds, and Federal Funds. Lottery Funds are from Measure 76 operations portion of the Parks and Natural Resources Fund. The largest source of Other Funds is from the sale of hunting, angling, and occupational licenses and tags. A significant factor affecting the short- and long-term outlook for the department's revenue is hunting and fishing participation trends.

The Governor's budget includes a package to reduce expenses in fish and wildlife programs to coincide with available revenues. The budget supports fee increases to recreational and commercial hunting and angling licenses to support current operations.

The Department also allocates a portion of Federal Funds to Other Funds to cover administrative costs in compliance with federal requirements. The Federal Funds revenues are received from the U.S. Fish and Wildlife Service, Army Corps of Engineers, Bonneville Power Administration, Environmental Protection Agency, U.S. Department of Agriculture, and the National Oceanic and Atmospheric Administration.

## **AGENCY PROGRAMS**

### **Inland Fisheries**

The Inland Fisheries program is responsible for the conservation and sustainable use of Oregon's inland fish populations. The program provides policy and management direction for Oregon's freshwater fishery resources, ensuring native species are conserved. It also fosters and sustains opportunities for sport, commercial, and tribal fishers to catch hatchery and naturally produced fish, consistent with the conservation of native fish. This is a large program, organized into five sections: Inland Fisheries Management, Native Fish Conservation, Hatchery Management, Water and Energy Coordination, and Engineering and Facilities. The Governor's budget for the Inland Fisheries program is \$213.6 million total funds and supports 653 positions.

### **Marine and Columbia River Fisheries**

The Marine and Columbia River Fisheries program conserves, protects, and restores key fish and wildlife species in Oregon's ocean and the Columbia River Basin. Because of the importance of this fishery to Oregon's economy, the Program is guided by the goal of ensuring long-term sustainability of fish, wildlife, and their habitats, while doing so in a way that supports a healthy economy. The program has two sections. The Ocean Salmon and Columbia River section works with federal, regional, and other entities to plan and implement programs to protect, mitigate and enhance fish populations in the Columbia River Basin. It also works with commercial and sport fisheries and ocean salmon fishers to develop administrative rules for those fisheries. This section is the scientific and technical lead in Oregon's efforts to mitigate the effects of hydropower on fish populations in the Columbia and Snake River systems. The other section, the Marine Resources section, manages marine species and habitats through research, monitoring and setting policy. The Governor's budget for the Marine and Columbia River Fisheries program is \$47.9 million total funds and supports 208 positions.

### **Wildlife Management**

The Wildlife Management program is the primary vehicle for implementation of the North American Model of Wildlife Conservation. The Program manages game mammals, game birds, furbearing animals, and predatory species by monitoring animal populations and conducting research. The Program restores and improves wildlife habitat and manages 16 major wildlife management areas. Wildlife disease issues are addressed by laboratory personnel. The program works with the Oregon Department of Agriculture and U.S. Fish and Wildlife Services. The Governor's budget for the Wildlife Management program is \$89.2 million total funds and supports 206 positions.

## Conservation

The Conservation program coordinates the conservation and management of threatened, endangered, and sensitive species, as well as the protection and management of non-game fish and wildlife. It keeps species from becoming threatened or endangered by implementing the federally approved Oregon Conservation Strategy and acts in alignment with the Oregon Plan for Salmon and Watersheds.

The program handles invasive species boat inspections and decontaminations; consultations with landowners and managers to create healthy habitats; educational presentations and materials; scientific reviews; funding of conservation projects; management of threatened species; on the ground species research, monitoring and habitat restoration projects; response to public inquiries about living with wildlife, wildlife viewing opportunities, invasive species, wolf depredation and other related issues. The Governor's budget for the Conservation program is \$10.7 million total funds and 44 positions.

## Habitat Division

The Habitat Division leads proactive, focused, and consistent statewide efforts to protect, restore, and enhance habitat for Oregon's fish and wildlife. The Division consists of the following three programs:

- Land Resources program, which addresses terrestrial habitat issues ranging from energy development to land use to forest and agricultural practices and their associated impacts on fish and wildlife habitat.
- Water and Hydropower Coordination program, which plans and implements instream flow restoration and climate adaptation priorities for ODFW and works to advance fish and wildlife protection and mitigation measures in hydropower license proceedings
- Habitat Regional Operations, which provides support to region-focused subprograms and administers the Oregon Conservation and Recreation Fund and the Private Forest Accord Mitigation Subaccount.

The Governor's budget for the Habitat Division is \$69.6 million total funds and 95 positions and includes an investment in resolving instream water rights and land use issues. The budget also includes a special purpose appropriation within the Emergency Fund of \$14.0 million to be utilized for grants to support the Private Forest Accord once the Habitat Conservation Plan has been finalized. Both the Department and the Department of Forestry have grant programs that will be supported by this investment.

## State Police Enforcement

The Department contracts with the Oregon State Police to enforce Oregon's fish and wildlife laws and regulations. The primary mission of the Oregon State Police Fish and Wildlife Division is to assure compliance with laws protecting and enhancing the long-term health and equitable utilization of Fish and Wildlife resources. It also enforces traffic, criminal, boating, livestock, and environmental protection laws in addition to responding to emergency situations. The 11 members of the Division enforce laws directly relating to the Oregon Plan for Salmon and Watersheds. The Division has three investigators and an investigating sergeant assigned to its Special Investigations Unit, which is responsible for conducting in-depth and complex investigations of individuals or groups in violation of the fish and wildlife laws and regulations.

The Governor's budget sets the transfer of funding to the Oregon State Police Fish and Wildlife program at \$36.5 million total funds. No positions are associated with this program as positions reside with the Oregon State Police.

### **Administration**

The Administration program provides support functions to Department programs and includes the Oregon Fish and Wildlife Commission, the Commercial Fishery Permit Board and the Director's Office. The Governor's budget for the Administration program is \$83.6 million total funds and supports 152 positions and supports current operations.

### **Debt Service**

The General Fund debt service in this program is used to repay money borrowed for deferred maintenance projects. Projects include maintenance of Wildlife Area field offices, hatchery facilities and residences, and other ODFW owned property. The Other Funds debt service is to repay money borrowed for the purchase of a new headquarters facility in Salem. Funds come from the savings in rent from the lease of the old Salem headquarters building. The Governor's budget for the Debt Service program is \$9.4 million total funds, which is a 103.3 percent increase from the 2023-25 Legislatively Approved Budget. The increase is related to support for fish hatcheries and repair or replacement of the Rogue District Office. There are no positions associated with the Debt Service program.

### **Capital Improvement**

The Department implements capital improvement projects to maintain facilities and support fish restoration and enhancement projects throughout Oregon. The Governor's budget includes \$10.9 million total funds in capital improvements and supports three positions.

### **Major Construction and Acquisition**

The Department's Major Construction and Acquisition program does not operate every biennium. It is activated if ODFW has funding for a specific project. The Governor's budget includes \$25.3 million and an investment into fish hatchery infrastructure. There are no positions within this program.

## Oregon Department of Forestry

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$282,485,996	\$206,283,183	\$291,314,733
Lottery Funds	2,564,201	2,557,080	2,558,120
Other Funds	383,063,337	439,503,895	453,775,258
Federal Funds	28,185,123	81,911,546	84,701,219
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$696,298,657	\$730,255,704	\$832,349,330
Positions	1,398	1,431	1,446
Full-time Equivalent	1,023.34	1,075.02	1,097.23

### OVERVIEW

The Oregon Department of Forestry serves the people of Oregon by protecting, managing, and promoting stewardship of Oregon's forests to enhance environmental, economic and community sustainability. The Department has three operational divisions and several support divisions, Fire Protection, State Forests, and Forest Resources, which work to protect and manage forestland for the greatest permanent value of those lands to the state.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Department of Forestry is \$832.3 million total funds and 1,446 positions, which is a 14.0 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The increase is associated with a \$135.0 million investment into the State Forestry Department Cash Flow Repayment Fund with the intention to adjust the statutory purpose of the fund to act as a large fire cash flow account. And while not included in the Department's budget and included as special purpose appropriation within the Emergency Fund, the Governor's budget includes a key investment into the implementation of the Private Forest Accord through the provisions of grant funding that will be made available to the Department following completion of a Habitat Conservation Plan scheduled for late 2025.

### REVENUE SUMMARY

The Department relies on Other Funds revenues typically derived from the Forest Products Harvest Tax and State Forests Timber Sales. The Oregon Forest Practices Act (FPA) is administered through the Forest Resources program. For administering the FPA, the Department receives funds through a tax on timber harvest. The State Forests division is funded primarily with Other Funds received from timber sales on lands managed by the Department. The Department also receives General Fund support for Fire Protection services and for the Forest Resources program. ODF also receives Federal Funds support to

carry out the Federal Forest Restoration program and administer targeted federal grant programs. ODF receives a small amount of Lottery Funds to support debt service payments.

## **AGENCY PROGRAMS**

### **Agency Administration**

The Agency Administration program leads the department by developing policy, coordinating programs, assessing forest resources, coordinating land use planning, managing information systems, and providing a wide range of administrative services. The program provides leadership, policy development, public involvement, and supports the Board of Forestry. The program is primarily funded by Other Funds, through assessments to other divisions for administrative services. The program also receives a small amount of General Fund and Federal Funds. The Governor's budget for the program is \$72.9 million total funds and 137 positions, which is a 30.5 percent increase from the 2023-25 LAB.

### **Fire Protection**

The Fire Protection program is the state's largest fire department and is responsible for providing fire protection on approximately 16 million acres of forest and rangeland. The program delivers fire protection through a complete and coordinated system with federal agencies, forest landowner's operators and contractors, local structural fire agencies, and nearby states. The program is funded by a combination of General Fund, Federal Funds, and Other Funds. The Other Funds are primarily generated from private forest landowner assessments. The Governor's budget for Fire Protection is \$359.2 million total funds and with 828 positions, which is a 24.7 percent increase from the 2023-25 LAB. The increases are related to a one-time investment related to the Department's cash flow constraints.

To address challenges of severe fire seasons, the Governor's budget reserves \$16.0 million in a Special Purpose Appropriation in the Emergency Fund budget to pay for Severity Resources.

### **Equipment Pool**

The Equipment Pool Program provides leadership and direction regarding core motor pool, radio logistical and financial support services. The program supports the radio communications of three Forest Protective Associations and of the Oregon Department of Fish and Wildlife and the Oregon Parks and Recreation Department. Funding for the program comes from fees and assessments charged to equipment pool users. The Governor's budget for this program is \$23.4 million total funds and 31 positions, which is a 31.9 percent decrease from the 2023-25 LAB. The large decrease is related to phasing out of one-time funds received in the 2023-25 biennium.

### **State Forests**

The State Forests program manages more than 729,000 acres of forestland for the Board of Forestry and over 26,000 acres for the State Land Board. About 95 percent of the state forest acreage is owned by the Board of Forestry, and the remaining acres are owned by the State Land Board for the benefit of the Common School Fund. The objective of the Division is to manage State Forests for the Greatest Permanent Value of those lands to the state. "Greatest Permanent Value" has been defined as "healthy, productive, and sustainable forest ecosystems that over time and across the landscape provide a full

range of social, economic, and environmental benefits to the people of Oregon.” The Governor’s budget for the program is \$132.3 million total funds and 212 positions, which is a 5.2 percent increase from the 2023-25 Legislatively Approved Budget.

The State Forests Division has been self-supporting through the revenue generated from timber sales on lands managed by the Department. On Board of Forestry lands, the Department retains 36.25 percent of revenues for management expenses. The remainder of the revenue is distributed to counties and local taxing districts. On Common School Fund lands, the Department is reimbursed for management costs and the remainder of the revenue from timber sales is distributed to the Common School Fund.

### **Forest Resources**

The Forest Resources program delivers a range of services to industrial, family-forest, state and local government, and some federal landowners. The Program also implements the Federal Forest Restoration program, which works to accelerate the pace, scale, and quality of forest restoration in Oregon’s federal forests, which is accomplished primarily through collaborative support, federal partner support, and Good Neighbor Authority agreements with federal landowners. The program also seeks to maintain and enhance economic, social, and environmental benefits derived from Oregon’s forests. The Program administers the Oregon Forest Practices Act and is working to implement the Private Forest Accord. Forest Resources provides technical and financial assistance to forest landowners to improve landscape resilience, develops and implements innovative programs relevant to private forestry in Oregon, and provides early detection and response to forest health threats. The Governor’s budget for the program is \$140.6 million total funds and 238 positions, which is a 21.6 percent decrease from the 2021-23 Legislatively Approved Budget. The decrease is related to the phase out of one-time investments from the 2023-25 biennium.

The Governor’s budget continues staffing allocated to the Private Forest Accord in 2025-27 and proposes a special purpose appropriation of \$14.0 million to be utilized for grants to support the Private Forest Accord once the Habitat Conservation Plan has been finalized. Both the Department and the Department of Fish and Wildlife have grant programs that will be supported by the reserved Special Purpose Appropriation.

### **Facilities Maintenance and Management**

The Facilities Maintenance and Management program supports the Department through an integrated facilities management plan to protect the health and safety of the public and personnel. The program ensures sufficient funds are available for routine maintenance, the reduction of deferred maintenance, and the implementation of capital construction and improvement projects. The program has no positions and is entirely supported by Other Funds revenues derived from interagency transfers and acts as a storehouse for capital improvement Other Funds revenues. The Governor’s budget for the program is \$6.4 million total funds, with no positions, which is a 4.3 percent increase from the 2023-25 LAB.



**Debt Service**

The Debt Service program funds the repayment of Certificates of Participation and Lottery bonds issued by the Department to fund Capital Construction projects. The revenues used to pay debt service come from the General Fund, Lottery Funds, and Other Funds from the department's operating programs. The Governor's budget for this program is \$29.9 million total funds and no positions, which is a 43.3 percent increase from the 2023-25 Legislatively Approved Budget. The Governor's budget includes the authorization of the Toledo Phase III project, replacement of district offices lost in fires, a remodel of the Veneta campus, funding for deferred maintenance projects, and the restoration of the State Forester's Office.

**Capital Improvement**

The Capital Improvement program supports the Department by maintaining capital assets, improving the functionality of buildings, and renewing obsolete facility and system components. Capital improvement projects have a cost of less than \$1.0 million and increase the value, extend the life, or adapt the capital asset to a different use. Funding for the program comes from revenue transfers from the Department's operating programs. The Governor's budget for this program is \$16.7 million total funds, with no positions. This is a 63.0 percent increase from the 2023-25 LAB.

**Capital Construction**

The Capital Construction program provides funding for high-priority construction or acquisition projects exceeding \$1.0 million. The Governor's budget for this program is \$51.0 million total funds, with no positions.

## Department of Geology and Mineral Industries

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$5,955,423	\$9,844,208	\$10,450,493
Lottery Funds	0	0	0
Other Funds	6,087,655	7,741,135	21,744,290
Federal Funds	4,651,819	5,663,435	5,988,729
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$16,694,897	\$23,248,778	\$38,183,512
Positions	35	41	56
Full-time Equivalent	34.67	40.50	56.00

### OVERVIEW

The Oregon Department of Geology and Mineral Industries (DOGAMI) was established in 1937 to provide earth science information and regulation. DOGAMI's Geologic Survey and Services program (GS&S) produces geologic information in partnership with state, federal, and local governmental natural resource and planning agencies. GS&S geologic maps and reports inform the development of policy affecting the use of Oregon's lands and waters and guide responsible mineral development. GS&S further mitigates the risk of loss due to geologic hazards, such as landslides, flooding, tsunamis, and earthquakes. The Mined Land Regulation and Reclamation program (MLRR) is responsible for regulating the exploration, extraction, production, and reclamation of mineral and energy resources. The objectives are to conserve mineral resources and protect the environment while providing for the economic uses of the mined materials. MLRR regulates oil, natural gas, geothermal exploration and extraction, metallic and industrial minerals, and sand and aggregate.

### GOVERNOR'S BUDGET

The Governor's budget for DOGAMI is \$38.2 million total funds and 56 positions. The budget is a 64.2 percent increase from the 2023-25 Legislatively Approved Budget. This will allow DOGAMI to meet current levels of service and emphasizes improved customer service and timeliness. The budget includes right-sizing in MLRR supported by a proposed fee increase, as well as a pilot project for carbon sequestration being undertaken with the Department of State Lands. The budget also includes funding to continue the implementation of an ePermitting system to replace the current paper-based permitting system. The implementation relies on the completion of a similar project at the Department of Environmental Quality, which has been delayed. As such, much of the funding is carried over for funds unspent in 2023-25 biennium.

## REVENUE SUMMARY

The GS&S program relies on General Fund, Other Funds, and Federal Funds, with the mix of funding varying substantially from one biennia to the next. This is in part due to the reliance on grant funding to support agency operations. Funding sources include federal agencies, as well as other state agencies, local governments, and universities.

The MLRR program receives Other Funds revenue from contracts and metal, aggregate, gas, and oil permit fees. Fees are paid by permit holders, including other state agencies, counties, private companies, and individual permittees. DOGAMI is proposing a fee restructure and increase in 2025-27 to align revenues with actual agency and customer service needs.

## AGENCY PROGRAMS

### Geologic Survey

The GS&S program gathers geoscientific data and maps mineral resources and hazards. This program also houses executive leadership and administrative staff that support both the GS&S and the MLRR programs. GS&S includes three established focus areas: Lidar & Remote Sensing, Geologic Mapping & Mineral Resource Evaluation, and Natural Hazards Mapping. The information gathered is shared with state and local policymakers for land use planning, facility siting, building code and zoning changes, and emergency planning. GS&S program staff is comprised of geologists, geomorphologists, and GIS analysts.

The Governor's budget includes \$27.4 million total funds and 29 positions. The budget includes \$10 million Other Funds and four limited duration positions for the carbon sequestration pilot project. A reduction to Services and Supplies is also included in order to provide funding for increased ESRI licensing costs within the agency.

### Mined Land Reclamation

The MLRR program administers the Mined Land Regulation Act (1971) for the state and regulates mineral, aggregate, oil and gas, and geothermal exploration, extraction, and development. MLRR is a field-oriented regulatory program working with the industry and the public to minimize impacts of natural resource development and to optimize opportunities for reclamation. The program identifies and mitigates potential violations and environmental impacts before resorting to costly enforcement actions and mine site downtimes.

The Governor's budget includes \$10.8 million total funds and 27 positions. The budget includes funding for staff expansion and program right-sizing, as well as one-time funding for the completion of the ePermitting project initiated in the 2023-25 biennium.

## Department of Land Conservation and Development

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$25,183,788	\$50,842,495	\$48,825,604
Lottery Funds	0	0	0
Other Funds	1,554,241	19,007,494	12,887,095
Federal Funds	4,473,537	9,534,680	9,576,656
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$31,211,566	\$79,384,669	\$71,289,355
Positions	73	109	112
Full-time Equivalent	66.60	92.18	113.00

### OVERVIEW

The Department of Land Conservation and Development's (DLCD) mission is to help communities and citizens plan for, protect, and improve the built and natural systems providing a high quality of life. The Land Conservation and Development Commission provides policy direction for the land use planning program and oversees DLCD operations. DLCD, in partnership with citizens, local governments, and other state agencies, fosters sustainable and vibrant communities and protects Oregon's natural resources legacy.

### GOVERNOR'S BUDGET

The Governor's budget for DLCD is \$71.3 million total funds, and 112 positions, which is a 10.2 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). This decrease is primarily driven by the phase out of one-time investments in the last biennium, particularly those related to Energy Efficiency and Climate Related Initiatives. However, this budget also represents investments into the Housing and Homelessness Initiatives providing technical assistance and grants to local governments for land use planning and capacity related to housing needs and production across the state. Finally, the budget provides funding to the Housing Accountability and Production Office (HAPO). This office will provide additional technical assistance and support to local governments and housing developers working to reduce land use and permitting barriers to housing production.

### REVENUE SUMMARY

The Department is primarily funded with General Fund. The Department also receives Federal Funds from the Federal Emergency Management Agency and the U.S. Department of Commerce's National Oceanic and Atmospheric Administration through the Coastal Zone Management Act programs. Other Funds are a small part of the Department's revenue. Sources of Other Funds are from the Oregon Department of Emergency Management for Natural Hazard Mitigation Planning and the Oregon

Department of Transportation (ODOT) to support the Transportation and Growth Management Program, which is a joint effort with ODOT.

## **AGENCY PROGRAMS**

### **Planning Program**

The Planning Program helps communities and citizens plan for, protect, and improve built and natural environments and systems, which provide a high quality of life, in partnership with citizens and local governments. The program fosters sustainable and vibrant communities and protects natural resources. The Governor's budget for the program is \$48.8 million total funds. This is a 23.4 percent decrease from the 2023-25 LAB. The decrease is primarily driven by the phase out of one-time investments. While the budget decreased, staffing levels were increased to maintain progress on the various Housing and Homelessness Initiative work.

### **Grant Program**

Historically, the Grant Program has distributed General Fund reimbursements to cities and counties to help with comprehensive plan development, plan amendments, and periodic review. The Governor's budget for the program is \$22.5 million total funds, a 43.0 percent increase from the 2023-25 LAB. Included in the funding is more than \$6.5 million for grants to assist local government in adopting low barrier housing land use procedures, complete and adopt housing capacity analyses, housing production strategies, and housing implementation projects.

## Land Use Board of Appeals

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$2,595,218	\$2,994,485	\$3,907,929
Lottery Funds	0	0	0
Other Funds	12,229	38,019	39,616
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,607,447	\$3,032,504	\$3,947,545
Positions	7	7	7
Full-time Equivalent	7.00	7.00	7.00

### OVERVIEW

The Land Use Board of Appeals (LUBA) was established in 1979 to provide resolution of land use issues, as well as to develop a consistent body of land use law. The Governor appoints the three-member board to serve four-year terms. Board members resolve appeals, issue orders, prepare for and conduct oral arguments, provide peer review, contribute to the publication of LUBA's headnote digest and participate in continuing legal education and land use seminars. LUBA publishes its decisions as an authoritative resource for state and local legislators, land use professionals, city and county decision makers, property owners, and the citizens of Oregon. The Board is supported by two administrative support staff and two staff attorneys.

### GOVERNOR'S BUDGET

The Governor's budget is \$3.9 million total funds. This is a 30.2 percent increase from the 2023-25 Legislatively Approved Budget and funds seven positions. The Governor's budget maintains all current operations of the Land Use Board of Appeals, trues up the agency's Services and Supplies budget to align with spending, and provides funding for IT modernization.

### REVENUE SUMMARY

General Fund supports 99 percent of LUBA's core operations. The remaining funds are Other Funds derived from filing fees, publications sales, and other miscellaneous fees. These funds are being drawn down, and the supported expenses will likely be transferred to General Fund in coming biennia.

## Department of State Lands

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$123,060,000	\$4,002,152	\$442,576
Lottery Funds	0	0	0
Other Funds	53,209,130	74,850,091	88,731,866
Federal Funds	2,477,678	5,580,888	6,529,002
Other Funds (Nonlimited)	14,913,221	19,052,461	20,749,534
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$193,660,029	\$103,485,592	\$116,452,978
Positions	105	113	138
Full-time Equivalent	103.38	110.78	132.66

### OVERVIEW

The mission of the Department of State Lands (DSL) is to ensure a legacy for Oregonians and their public schools through stewardship of lands, wetlands, waterways, and unclaimed property. The Department provides administrative support to the State Land Board, which is composed of the Governor, the Treasurer, and the Secretary of State. DSL implements the policies of the State Land Board in managing the Common School Fund (CSF) and its assets. Assets of the CSF include lands deeded in trust for education at statehood, unclaimed, reverted, and forfeited property, and other lands designated by statute. Twice each year, interest earnings on the CSF are distributed to schools. The Department also operates the Portland Harbor Clean-up Fund, the Oregon Wetlands Revolving Fund and the South Slough National Estuarine Research Reserve.

### GOVERNOR'S BUDGET

The Governor's budget is \$116.5 million total funds and supports 138 positions. This is a 12.5 percent increase from the 2023-25 Legislatively Approved Budget. The increase is largely driven by investments to address Wetland and Waterways, Abandoned and Derelict Vessels, Elliott State Forest, and Permitting capacities from the CSF. The Governor's budget includes funding and position resources allowing the agency to perform the following activities:

- The Portland Harbor Superfund Site costs,
- Geological Carbon Sequestration projects in tandem with the Department of Geology and Mineral Industries,
- Elliot State Forest ongoing work,
- Ongoing efforts supporting wetland mitigation,
- Wetlands permitting expansion to support housing development in alignment with the Governor's housing and homelessness initiative work,



- South Slough National Estuarine Research Reserve staffing support,
- Carryforward of Federal Grants provided by the National Oceanic Atmospheric Administration (NOAA) and the Environmental Protection Agency,
- The completion and public release of the new permitting and information system to support the management of school lands, wetland and waterway permits and authorizations, and
- Funding to support abandoned and derelict vessel removal projects for the 2025-27 biennium.

## **REVENUE SUMMARY**

The Department relies primarily upon Other Funds to support its budget. Additionally, federal funding from grant awards go primarily to the South Slough Reserve program. Other Funds revenues are provided by the Common School Fund, which was established at statehood and to generate earnings to distribute to public schools. The majority of Federal Funds received by DSL come from NOAA and utilized by the South Slough National Estuarine Research Reserve.

## **AGENCY PROGRAMS**

### **Common School Fund**

The Common School Fund (CSF) program unit manages lands to benefit education through the Real Property program; protects waters and wetland through the Aquatic Resource management program; and the Director's office, which serves as the primary liaison with the State Land Board. The CSF program is typically funded almost entirely by Other Funds, which includes the revenue generated by the programs they manage and realized earning from investments. The Governor's budget is \$80.0 million total funds and supports 108 positions. The Governor's budget makes investments to provide ongoing stewardship of waterways and wetlands management, support the launch of the new online information system, as well as four new Geographic Information System (GIS) positions.

The CSF was a requirement for Oregon to become a state under the federal Admissions Act. Oregon's constitution (Sect. VIII, Section 2) establishes the Fund, which is dedicated to support primary and secondary schools. At statehood, about six percent of Oregon's territory was dedicated to benefit schools. Income from these lands is invested by the Oregon Investment Council and a portion of the earnings is distributed to schools through the Oregon Department of Education. Income to the Fund includes sales of mineral resources and timber harvests; revenues from leasing rangelands, agricultural lands, commercial properties; and forfeitures and civil penalties. For the 2023-25 biennium, the estimated distribution to schools is \$160 million.

### **Portland Harbor Cleanup Fund**

DSL has been identified by the U.S. Environmental Protection Agency (EPA) as a potentially responsible party for costs associated with the investigation and cleanup of sediment contamination in the Portland Harbor, a 10-mile stretch of the lower Willamette River area listed as a Superfund site. This program area supports the state's response to the EPA's 2018 demand for commitments for cleanup, at a cost estimated to exceed \$1.7 billion. The Governor's budget is \$1.2 million total funds and no positions. The funds will continue site cleanup efforts and support investigations.

**Submerged Lands Enhancement Fund**

The Submerged Lands Enhancement Fund, authorized by the Legislature in 2017, provides grants for projects that improve water quality, increased recreational access, protect habitat, or otherwise enhance Oregon's public waterways. The Fund provides a funding opportunity for communities to improve the health, safety, and accessibility of public waterways. Cities, counties, improvement districts, watershed councils, parks and recreation districts, port districts, nonprofit organizations, state agencies, and federally recognized tribal governments are eligible to apply for funding. The Governor's budget for this program is \$0.2 million total funds and no positions.

**Oregon Wetlands program**

In 1987, the Legislature established the Oregon Wetlands Mitigation Bank Revolving Funds Account within the General Fund of the State Treasury and was renamed the Oregon Removal-Fill Mitigation Fund through House Bill 2156 (2009). The Fund was created to receive contributions and proceeds related to wetland mitigation. The Fund provides the revenue to facilitate mitigation banking, to acquire mitigation sites, which will help restore, enhance, create, and preserve state waters and cover administrative expenses. With the exception to two positions provided by the Governor's Budget to support housing infrastructure through establishing a single point of contact for housing related work and Wetlands Mitigation, revenues in the program are entirely Other Funds and comes from contributions and the sale of mitigation bank credits. The Governor's budget for this fund is \$2.7 million total funds and two positions.

**Abandoned and Derelict Vessels and Camping**

The Abandoned and Derelict Vessels and Long-term Camping Program is a new program area but has a history impacting the use and enjoyment of Oregon's public waterways. The people of Oregon own the beds and banks of all navigable and tidal influent waterways throughout the state. The agency manages the waterways on behalf of the State Land Board. Previously, the CSF had been the only revenue source DSL has utilized for this purpose.

DSL acknowledges long-term camping and some recreational vessel removal each have unique considerations affecting both the costs and approach, as well as recognizing the complex social issues connected to waterway cleanup. These abandoned and derelict vessels create significant contamination in Oregon's waterways, and the Governor's budget provides \$11.2 million Other Funds and four positions.

**Elliot State Research Forest**

The Elliot State Research Forest (ESRF) continues establishment across 83,000 acres of contiguous state public forest land on Oregon's South Coast as a nationally and internationally relevant center for forest science and management. By approving \$100 million in bonds in 2019, and investing \$121 million in General Funds (2022), the Oregon Legislature compensated the CSF for the ESRF land and removed it from the portfolio of the CSF. In June 2024, the State Land Board appointed the ESRF Board with oversight responsibilities for the ESRF. The Governor's budget provides \$12.1 million, two positions, and includes packages to continue the development of the Shutter Creek site to act as headquarters for the Research Forest.

**South Slough National Estuarine Research Reserve**

The South Slough National Estuarine Research Reserve (SSNERR) is a 5,000-acre natural research area encompassing a portion of the Coos estuary on the southern Oregon coast. Established in 1974, it is one of 28 similar institutions in coastal states. SSNERR's mission is to improve understanding and management of estuaries and coastal watersheds in the Pacific Northwest. The reserve is an asset of the CSF. Funding comes from the U.S. Department of Commerce's National Oceanic and Atmospheric Administration with state match. The state match is provided by CSF revenue. The chief users of the SSNERR are schools, local non-profits and government agencies.

The Governor's budget includes \$8.5 million total funds and supports 22 positions. The budget supports ongoing services at the SSNERR, as well as enhancements to the visitor center, and work associated with several NOAA grant awards.

**Capital Improvement**

This program includes projects needed to manage and maintain CSF landholdings and leases. The Land Board adopted an Asset Management Plan in 2012. This plan helps guide maintenance and improvement needs over time consistent with good management practices and stewardship responsibilities. Revenue for the Capital Improvements program comes from the CSF. The program funds projects, including hazardous material cleanup, fire suppression, and routine improvements as buildings age. The Governor's budget is \$0.6 million and no positions to provide basic level of maintenance.

## Oregon State Marine Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	28,641,245	33,059,376	36,755,918
Federal Funds	5,110,240	6,993,480	7,022,955
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$33,751,485	\$40,052,856	\$43,778,873
Positions	40	45	46
Full-time Equivalent	39.50	42.50	43.50

### OVERVIEW

The Oregon State Marine Board (OSMB) was established in 1959 and continues to serve the recreational boating public through education, enforcement, boating access, and environmental stewardship. The Board's programs serve the owners of registered boats and non-registered boats, outfitters and guides, charter vessel operators, marinas, and floating property owners. The five-member board is appointed by the Governor to serve four-year terms, subject to Senate confirmation. The Board is also guided by four external advisory teams representing outdoor sportsmen, cruising, watersports, and paddle sports. The Board's programs include the following:

- The Administration and Education program provides agency administration, boater services, education, and registration functions.
- The Law Enforcement program provides boating law administration and contracts with various law enforcement entities for marine law enforcement and training.
- The Facility Grants program offers assistance and awards grants to federal, state, and local governments for marine access facilities across the state.
- The Aquatic Invasive Species program focuses on educating the public and reducing invasive species on native waters.

### GOVERNOR'S BUDGET

The Governor's budget for OSMB is \$43.8 million total funds. This is an increase of 9.3 percent from the 2023-25 Legislatively Approved Budget and funds 46 positions. The budget allows the agency to continue current service operations and includes the addition of one registration and titling position, an adjustment to the Outfitters and Guides fees, and an additional \$1.0 million Other Funds to the Waterway Access Grant program.

## **REVENUE SUMMARY**

OSMB receives no General Fund or Lottery Funds support. Its programs are primarily funded by three major revenue sources: licenses and fees, gas tax revenues, and federal grant funds. On average, Other Funds account for 88 percent of revenue and Federal Funds account for the remaining 12 percent. Total revenues fall into five categories; General Operating (67 percent), Federal Grant Reimbursements (17 percent), Statutorily Dedicated (nine percent), Self-funded Programs (four percent) and Miscellaneous (three percent).

## **AGENCY PROGRAMS**

### **Administration and Education**

The Administration and Education program is the boater services component of the Marine Board. It is mainly responsible for vessel titling and registration, administration, and education. The program administers state boating laws, develops waterway management plans and promotes clean waterways, serves as a liaison with other government units, serves as the agency's central business function program, and develops and distributes materials to promote safe boating.

### **Law Enforcement**

The Law Enforcement Program provides statewide boating law administration and contracts for boating law enforcement and related services on over 600 boatable lakes, 75 major rivers, and 15 estuaries totaling more than 787,000 acres of water. Marine law enforcement officers conduct on-water patrols, remove obstructions and derelict or abandoned vessels, and provide public education services including a variety of school education programs. The program also includes oversight of Outfitters and Guides, including fishing, hunting, biking, hiking, and other outdoors service providers.

### **Facility Programs**

The Facility Programs provide grants and technical assistance for the maintenance and improvement of public recreational boating facilities statewide. Boating facilities grants are available to cities, counties, ports and park districts, state agencies, and federal agencies. Grants rely on partnerships and leveraging other financial resources such as Federal Funds, private funds, donations, and other funding sources. Boating facility grants can be used for the acquisition, development, and improvement of public boating access.

### **Aquatic Invasive Species**

The Aquatic Invasive Species (AIS) program mitigates the effects of invasive species on native waters through inspection and decontamination of watercraft. Aquatic invasive species rapidly expand once established and are capable of impacting municipal and irrigation water supplies, degrading hydropower operations, threatening human and animal safety, and impacting fish and wildlife species through habitat degradation. The AIS program educates boaters about aquatic invasive species and coordinates with agency partners on boat inspections and enforcement and containment strategies.

## Oregon Parks and Recreation Department

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$2,333,866	\$8,590,960	\$8,476,750
Lottery Funds	110,353,350	168,169,638	204,377,566
Other Funds	157,628,197	174,406,164	158,611,617
Federal Funds	8,642,075	21,868,180	28,599,686
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$278,957,488	\$373,034,942	\$400,065,619
Positions	857	871	865
Full-time Equivalent	591.15	632.30	629.40

### OVERVIEW

The mission of the Oregon Parks and Recreation Department is to provide and protect outstanding natural, scenic, cultural, historic, and recreational sites for the enjoyment and education of present and future generations. To accomplish this mission, the Department operates four operational divisions focused on the operation, maintenance, and management of state parks, and provisions of grants to cities and counties, with the Director's Office providing overall leadership.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Parks and Recreation Department is \$400.1 million total funds, which is 7.3 percent total funds increase from the 2023-25 Legislatively Approved Budget (LAB). The increase is related to the carry forward of grants of dedicated Measure 76 Lottery Funds, Other Funds, and Federal Fund revenues. As the state constitution requires, guided by ORS 390.134, local grant expenditures are 25 percent of dedicated Lottery Funds received by the Department. The increase in local grant expenditures requirements stem from the original provision of Ballot Measure 76, which required local grant expenditures to rise from 12 percent of dedicated lottery revenues to 25 percent once net lottery revenues surpassed 150 percent of the lottery revenues amount in the 2009-11 biennium. Debt service for the Willamette Falls development project, the Main Street program, and the Forest Park renewal project is included using non-dedicated Lottery Funds. The budget supports 865 positions.

Overall, the Governor's budget makes investments in operational cost increases and provides funding for constitutionally required local grants. Additionally, the budget includes an increase in funding for the Main Street program of \$10.0 million, which provides investments into rural cities throughout the state.

## **REVENUE SUMMARY**

The budget is funded mainly with Lottery Funds and Other Funds. The major contribution to Other Funds is park user fees. The Lottery revenues are constitutionally dedicated to parks. Additional sources of Other Funds revenues are All-Terrain Vehicle permits, un-refunded fuel tax, and recreational vehicle fees. Other sources of funds include land sales proceeds, rents, royalties and gifts. Federal Funds revenues support the Historic Preservation Act and various grants.

## **AGENCY PROGRAMS**

### **Director's Office**

The Director's office is responsible for the overall management of the Department. It is the liaison for the Oregon Parks and Recreation Commission and also provides support to the Commission. The Office provides policy direction for department programs and activities, as well as coordination with the Governor's office, Legislature, and other government agencies. The Program is supported by dedicated Lottery Funds and park user fees. The Governor's budget for this program is \$3.1 million total funds and six positions.

### **Central Services**

This Program includes agency financial services, personnel, safety and information services, procurement, budget and fiscal resources management, staff training, information technology services, and centralized business services, such as fleet and purchasing management. Finally, the program provides public information and coordinates rulemaking. The Governor's budget for this program is \$64.9 million total funds and 80 positions.

### **Park Development**

The Park Development program acquires new properties according to an investment strategy providing a framework for prioritizing additions to the parks system. The engineering division designs and engineers projects, survey's parklands and oversees construction for new parks and for maintenance and improvement of current properties. The Governor's budget for this program is \$25.2 million total funds and no positions.

### **Direct Services**

The Direct Services program is responsible for daily operation of the state park system. This program oversees daily park services, functions, and routine maintenance; it manages land, state scenic waterways, ocean shores programs, and natural resources. Recreational planning and programming includes land and water-based trail systems and the promotion of bicycling. The program includes the development and implementation of interpretive experiences. The Governor's budget increases funding for park services to match current demand and are funded through a combination of dedicated lottery revenues and Other Funds revenues. The Governor's budget for this program is \$169.7 million total funds and 750 positions.



**Community Support and Grants**

The Community Support and Grants program administers five grant programs: the All-Terrain Vehicle grants, Land and Water Conservation grants, Local Government grants, the Recreational Vehicle County Opportunity grants, and Recreational Trails grants. Community Support and Grants also houses the Heritage Program, which includes the Assistant Director for Heritage programs, the State Historic Preservation Office, and support for the Heritage Commission. The Office administers federal and state programs for historic and archeological resource planning and preservation. The Office also assists with the management, development, and interpretation of historic and cultural resources in the parks system.

The Governor's budget for this Program is \$137.3 million total funds and 29 positions. The Governor's budget adds an additional \$10 million in Lottery Bonds for the Main Street Revitalization program, which supports downtown revitalization efforts for up to \$200,000 to local governments. Grantees must match at least 30 percent of the monies awarded. Also included are resources to pay for existing commitments and to meet the constitutional requirement that 25 percent of Measure 76 Lottery Funds to local grants.

## Water Resources Department

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$64,196,283	\$88,114,428	\$88,047,620
Lottery Funds	6,976,595	14,102,838	24,352,512
Other Funds	38,535,738	179,581,877	149,384,845
Federal Funds	972,372	2,153,385	2,190,179
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$110,680,988	\$283,952,528	\$263,975,156
Positions	241	259	250
Full-time Equivalent	216.97	248.71	246.63

### OVERVIEW

The mission of the Water Resources Department is to serve the public by promoting responsible water management through two goals: directly addressing Oregon's water supply needs and restoring and protecting stream flows and watersheds to ensure the long-term sustainability of Oregon's ecosystems, economy, and quality of life. The Department administers laws governing surface water and groundwater resources.

The programs align closely with the Department's core functions of protecting existing water rights, managing the issuance of new water rights, facilitating voluntary streamflow restoration, increasing the understanding of demands on the state's water resources, providing accurate and accessible water resource data, and facilitating water supply solutions. The Department's activities are overseen by the Water Resources Commission, a seven-member citizen board appointed by the Governor.

### GOVERNOR'S BUDGET

The Governor's budget for the Water Resources Department is \$264.0 million total funds and 250 positions. This is a 7.0 percent decrease over the 2023-25 Legislatively Approved Budget (LAB). This decrease is driven primarily by phase out of one-time resources. The Governor's budget makes several investments that support increased capacity, modernization and accessibility of water data information, provide funding for Feasibility Studies, as well as funding for the Water Well Abandonment, Repair and Replacement Program. Two new positions are funded in the agency to increase capacity in modernizing information technology systems and tools and to improve accessibility for the agency website. The budget also includes the continued funding for previously approved federal American Rescue Plan Act projects.

Finally, the Governor's budget continues significant investment in the development of water resources across the state by directing \$20 million in bond proceeds for Water Project Grants and Loans to help address instream and out-of-stream water supply projects.

## **REVENUE SUMMARY**

The primary source of funding for the Water Resources Department is Other Funds from fees and contract work. The budget includes a fee increase to the Water Rights Fees and Dam Safety Fees to support maintaining current staffing levels. The Department also receives General Fund revenue and Federal Funds from the Federal Emergency Management Agency, Bureau of Reclamation, and other federal agencies. Additionally, the Department receives Lottery Funds to pay debt service.

## **AGENCY PROGRAMS**

### **Administrative Services**

The Administrative Services division provides business and administrative services to the Department. This includes budget preparation and execution, administration of human resource services, accounting and internal control, payroll and benefits, contracting, facilities management, risk management, employee development, reception and mailroom support services, transportation and telecommunications coordination. The Governor's budget for Administrative Services is \$42.1 million total funds. This is a 39.0 percent increase from the 2023-25 LAB. This increase is primarily the result of an increase in Lottery Funds debt service for Water Project Grants and Loans.

### **Field Services**

The Field Services division regulates water uses based upon the water rights of record; assists water users in developing long-term water supply and conservation plans; inspects the construction of wells for the protection of the groundwater resources; inspects the construction and maintenance of dams for the protection of the public and environment; and collects hydrologic data made available for use by staff and the public for planning purposes. The Division works with local watershed planning groups and local land use jurisdictions by providing technical information on surface water and groundwater.

The Governor's budget for Field Services is \$27.9 million total funds. This is a 6.2 percent increase from the 2023-25 LAB. The budget includes funding for the State Scenic Waterways section of the Division.

### **Technical Services**

The Technical Services division supports long-term water management by providing data and technical analysis. The Division shares its work on aquifers, dams, drought and flood projections, groundwater investigations and management, surface water availability, well construction, and water use measurement and reporting with other agencies, stakeholders, the public and other entities.

The Governor's budget for Technical Services is \$26.5 million total funds. This is a 15.1 percent decrease from the 2023-25 LAB. The decrease is primarily a result of phased-out one-time funds provided in the 2023-25 biennium specific to the software needed to create a water model for water use

tracking and the transfer of ongoing accounting of Water Project Grants and Loan program to the Director's Office.

### **Water Right Services**

The Water Right Services division evaluates and acts upon applications for new water rights. Under Oregon law, almost all water users, including agricultural enterprises, cities, and state agencies, must apply for and receive a water right before initiating water use. The Division is responsible for the evaluation of both instream and out-of-stream water right applications and issuance of new water right permits and certificates. The Water Right Services division distributes the weekly public notice, responds to public inquiries and evaluates public comments and protests concerning water use applications.

The Governor's budget for Water Rights Services is \$10.0 million total funds. This is a 9.3 percent decrease from the 2023-25 LAB, due to the phase-out of one-time funding. The Governor's budget provides funding to allow the Water Right and Transfer Sections to continue reducing processing times and allows continued progress on the protest backlog by maintaining staffing levels.

### **Director's Office**

The Director's Office is responsible for developing and supervising the policies and programs ensuring water is managed in compliance with state law and meets the state in-stream and out-of-stream water needs. The Director's Office provides intergovernmental coordination, communications services, water supply development coordination, and leads the implementation of the Integrated Water Resources Strategy. The office also supports the activities of the Water Resources Commission.

The Governor's budget for the Director's Office is \$157.4 million total funds. This is a 15.0 percent reduction from the 2023-25 LAB largely due to the phase-out of one-time funded projects. The budget provides additional bond revenue to existing grant programs addressing Water Project Grants and Loans to address water supply needs. Also included is \$1 million for Well Abandonment, Repair and Replacement Fund reinvestment and \$1 million for Feasibility Grant Studies.

## Oregon Watershed Enhancement Board

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$29,218,032	\$40,770,232	\$8,967,700
Lottery Funds	93,945,955	116,197,727	119,966,991
Other Funds	2,262,698	45,819,445	43,533,391
Federal Funds	34,926,210	56,787,165	61,591,577
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$160,352,895	\$259,574,569	\$234,059,659
Positions	46	49	49
Full-time Equivalent	42.58	45.91	48.50

### OVERVIEW

The mission of the Oregon Watershed Enhancement Board (OWEB) is to protect and restore healthy watersheds and natural habitats supporting thriving communities and strong economies. To achieve this mission, OWEB provides grants to communities and other partners, to conserve and improve the condition of streams, rivers, wetlands, and natural habitat. The agency also provides funding to support the capacity of watershed councils and soil and water conservation districts.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Watershed Enhancement Board is \$234.1 million total funds and 49 positions, which is a 9.8 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). This decrease is primarily driven by the phase out of one-time investments including Emergency Response Program and Grant Funding. The budget makes continued investments in the Oregon Agricultural Heritage Program (OAHP) and the Natural and Working Lands Fund, as well as support for the Drinking Water Source Protection Program.

### REVENUE SUMMARY

The Department is primarily funded with Lottery Funds, Other Funds, and Federal Funds. Since 1999, OWEB has received Lottery Funds from the constitutional dedication in the Parks and Natural Resources Fund for restoration and protection of native fish and wildlife habitat and improved water quality. The dedication requires 65 percent of the revenue to be used for grants and 35 percent for operations until more than 150 percent of the total amount provided during the 2009-11 biennium. At that point, the funding mix switches to 70 percent grants, 30 percent operations. This budget assumes the 70 percent grants, 30 percent operations funding mix for the 2025-27 biennium. Most of OWEB's operations funding is allocated to other state agencies supporting the restoration and protection provisions of the constitution.

The primary source of federal revenue is the Pacific Coastal Salmon Recovery Funds. Other Funds revenue is derived from a salmon plate registration surcharge from the Oregon Department of Transportation, and funding for a continuation of the Forest Health Collaborative grants and support. In the 2021-23 biennium, funding was appropriated through the General Fund to support the Oregon OAHP and the Water Acquisition program. These funds were deposited into the OAHP fund and the Flexible Incentive Fund and are considered continually appropriated. Therefore, Other Funds revenues include beginning balances for these funds.

## **AGENCY PROGRAMS**

### **Operations Program**

The Operations program administers the Department's grant programs. It includes all of OWEB's staff and administrative resources, which are focused on planning, coordination, assessment, implementation, and monitoring activities. The Governor's budget for the Operations Program is \$21.8 million total funds and 49 positions. This is a 10.3 percent decrease from LAB, which is attributable to the phase-out of many limited duration positions funded in the prior biennium. The budget includes a permanent position to manage the Department's Acquisitions and Special Programs team, staffing and capacity for the Environmental Restoration Council, and a position to continued compliance with the National Historic Preservation Act required by the Pacific Coast Salmon Recovery Fund.

### **Grants Program**

OWEB provides grants to help Oregonians take care of local streams, rivers, wetlands, and natural habitat across the state. Grants are awarded to local watershed councils, soil and water conservation districts, land trusts, and other local organizations. The funding is used to support restoration and protection of habitat conserving native fish, wildlife and water quality. Capital expenditures include non-expendable personal property with at least a two-year lifespan used for fish and wildlife law enforcement, conservation easements or leases, projects for fish or wildlife, water quality or stream flow and assessment, planning, design, technical assistance, monitoring and outreach for those projects.

The Governor's budget for the Grants Program is \$212.3 million total funds. This is a 9.8 percent decrease from LAB. Oregon's Measure 76 (2010) constitutionally dedicates 15 percent of Lottery revenue to parks and natural resources. Of that amount, 7.5 percent of those revenues are dedicated to OWEB, where 70 percent is committed to capital projects for construction or acquisition projects. OWEB also awards grants funded with federal Pacific Coastal Salmon Recovery Funds, salmon license plate revenues, and funding received from the Oregon Department of Forestry for Forest Health Collaborative grants. The budget also includes General Fund investments of \$5 million for the Natural and Working Lands Fund and \$2 million for Agricultural Heritage Fund, as well as carry forward of Federal Funds limitation for ongoing grants.

# TRANSPORTATION

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Program Area and Agency Information





## TRANSPORTATION AGENCIES

### Transportation Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$76,561,683	\$83,378,686	\$53,462,854
Lottery Funds	121,580,406	135,204,750	144,630,965
Other Funds	4,655,844,442	5,909,304,247	6,892,860,158
Federal Funds	113,777,933	214,183,667	217,353,950
Other Funds (Nonlimited)	4,749,230	18,000,000	18,000,000
Federal Funds (Nonlimited)	19,500,655	18,764,647	17,933,514
Total Funds	\$4,992,014,349	\$6,378,835,997	\$7,344,241,441
Positions	4,951	4,955	4,923
Full-time Equivalent	4,746.52	4,822.20	4,817.56

#### OVERVIEW

The Transportation Program Area includes the Department of Aviation (ODAV) and the Oregon Department of Transportation (ODOT). General Fund and Lottery Funds make up 2.7 percent of the program area activities, which are used for debt service for the Interstate Bridge Replacement project, the State Radio Project and non-highway infrastructure ConnectOregon I through VII. Other Funds revenue sources include, fuel taxes, motor vehicle and aircraft registrations, driver license fees, privilege taxes, payroll transit taxes, and airport leases. Federal Funds support highways, transit, and airport improvement programs.

The Infrastructure Investment Job Act (IIJA) was authorized by Congress in 2021. This included new federal surface transportation funding which is expected to bring in an additional \$1.2 billion to the state over a five-year period (2022 through 2026). IIJA also offers competitive grants. Any grants awarded to ODOT usually offset the use of the State Highway Fund for previously approved projects, allowing the state to take advantage of these savings to be utilized on other state proposed projects.

The Federal Aviation Administration grants cover 90 percent funding to all pre-approved aviation projects to the Department of Aviation.

#### GOVERNOR'S BUDGET AND KEY INVESTMENTS

The budget for the Transportation Program Area is \$7,344.2 million total funds, a 15.1 percent increase from the 2023-25 Legislatively Approved Budget. General Fund and Lottery Funds total \$198.1 million, a 9.4 percent decrease from 2023-25 levels. The decrease in General Fund is attributed to one-time

funding for right-of-way clean up, and seasonal emergency roadway services, debt service for previously authorized projects and the Cape Blanco Airport runway project completion.

Oregon's Transportation sector must continue its evolution from a traditional focus on a network of roads and highways to an integrated multimodal system; a system that safely moves families and freight, builds healthy connected communities, and provides a critical foundation for a robust economy. Transportation agencies, in coordination with other agencies, must continue to lead, promote, and invest in all modes of transportation and make significant reductions in greenhouse gas emissions and other pollutants.

There must be a sustained commitment to addressing the impacts of climate change, reducing transportation emissions and helping lead in achieving Oregon's climate goals. Additionally, ODOT must continue to evolve policies, practices and operations and look at investments with an eye toward addressing historical inequities and disparities; while also reimagining the way they engage community, and design and implement transportation projects. They must focus on removing barriers, expanding opportunities, and creating better outcomes for all Oregonians and especially those people most impacted by historical and institutional racism.

Key elements of the Governor's budget for the Transportation Program Area include the following:

The budget assumes sufficient and stable funding for ODOT operations while investing in programs to advance progress on near-term safety and resiliency needs. This budget does not address revenue shortfall funding for local government partners and transit districts.

**State Highways Funds.** A \$1.75 billion investment is proposed to address support for ongoing operations, including the restoration of 988 positions, as well as investments to advance progress on near-term safety and resiliency needs, including:

- Maintenance operations, which would allow repairing existing transportation infrastructures and keeping the highways systems and open and functional,
- Preserving, repairing, and replacing existing bridges, pavements to ensure long-term performance,
- Investing in various safety programs that include but not limited to fatal and serious injury crashes on all Oregon roadways and developing additional safe routes to school projects, and
- Expanding the Highway User Tax revenue bonding capacity and debt services to support House Bill 2017 (2017) commitments.

While critical needs of the agency are included, this budget does not include funding for local government partners and transit districts. These partner needs must be explored, refined and addressed as part of a comprehensive transportation funding package.

**Continued resourcing for the Interstate Bridge Replacement project.** Oregon needs a safer bridge that will serve future generations, provide transportation choices like high-capacity transit, and is a better solution to helping solve our climate crisis. The Interstate Bridge Replacement project is an important partnership with Washington State and the federal government. The budget supports a second

installment of General Obligation bonds of \$250.0 million against the initial \$1.0 billion bonding commitment for the project. The bonds are expected to leverage \$6.0 billion in federal, state and local funding for this project, which expects to begin construction in 2026.

**DMV integrity**. The budget includes funding for ODOT to stabilize and secure data integrity within the Drive and Motor Vehicle Services, while addressing customer service and call center needs.

**Public Transportation**. Expanding staffing resources at ODOT to assist with the state and federal grant programs for public transit providers.

**Housing Initiative**. ODOT will work with several other state agencies to establish a single point of contact related to expediting housing project permits and establishing a portable DMV office to assist Oregonians who are leaving state institutions in obtaining DMV ID cards.

**Rural Veterans Healthcare Transportation Grant Program**. Adding a program administrator to run and expand program grants on behalf of the Oregon Department of Veterans' Affairs.

**Dundee-Newburg Bypass**. The budget includes a \$19.0 million ARPA carry forward to complete Phase 2A construction at OR 219. This phase of the project will improve the interchange where OR 18 meets OR 129 on the southeast side of Newberg.

**Aviation Operations and Improvements to State Airports**. The budget provides funding to ODAV for two capital projects at both Oakridge and Mulino Bay airports, as well as a new aircraft and property leasing digital system.

**Uncrewed Aircraft Systems**. The budget supports a statutory change requiring commercial operators of uncrewed aircraft systems to carry insurance that covers aviation liability.

## Oregon Department of Aviation

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$1,653,073	\$2,448,406	\$0
Lottery Funds	0	0	0
Other Funds	9,943,134	25,698,091	29,900,523
Federal Funds	6,474,379	20,733,526	15,552,200
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$18,070,586	\$48,880,023	\$45,452,723
Positions	16	16	15
Full-time Equivalent	14.60	15.33	15.00

### OVERVIEW

The Oregon Department of Aviation advocates for the safe operation, growth, and improvement of aviation and is responsible for the planning and development of a safe and efficient aviation system in Oregon. The Department manages a number of programs including General Aviation Entitlement, Pavement Maintenance, Aircraft Registration, and Capital Construction projects.

### GOVERNOR'S BUDGET

The Governor's budget is \$45.5 million total funds, which is a 7.0 percent decrease from the 2023-25 Legislatively Approved Budget. The decrease is due to phase-outs of one-time funding for the Cape Blanco Airport project and the proposed number of capital construction projects for the 2025-27 biennium. The budget continues 15 positions and includes funding for the Oakridge Airport runway replacement project funded through a *ConnectOregon* grant, the Mulino Bay Airport water line and hanger project, aviation entitlement projects, a new online lease and aircraft registration system, and supports a statutory change requiring commercial operators of Uncrewed Aircraft System to carry insurance that covers aviation liability.

### REVENUE SUMMARY

Aviation and jet fuel tax revenues are the primary source of funding for the agency's operations. The tax on aviation gas is \$0.11 per gallon and the tax on jet fuel is \$0.03 per gallon. These fuel taxes make up approximately 38 percent of the agency's overall revenues, and approximately 72 percent of the Other Funds revenues. Additional sources of revenue include aircraft registration, hangar and site leases, and other charges for services. The Department also receives Federal Funds from the Federal Aviation Administration (FAA) for aviation system planning and construction projects.

## **AGENCY PROGRAMS**

### **Operations**

The Operations Division oversees the administration, operation, and maintenance of 28 state-owned, public use airports through four program areas: Statewide Services, Airport Services, Airport Maintenance and Planning. The Division also provides core services covering planning, land use, evaluation of tall structures, and inspections of airports and site surveys of proposed new airports.

The Governor's budget for Operations is \$11.2 million total funds and 14 positions. The main source of funding is fuel tax revenue, which is transferred to the Department from the Oregon Department of Transportation. Other revenues include funding from aircraft registration fees, public airport registration fees, aircraft dealer license fees, leases, tie down revenue, and fuel flowage fees.

### **General Aviation Entitlement**

The General Aviation Entitlement program administers FAA funded projects, which do not meet the Capital Budgeting threshold. These projects address safety, operations, and development at airports in Oregon. FAA grants are generally funded at 90 percent of project costs with the remaining 10 percent paid by the airport sponsor (owner). The state owns 28 airports, 12 of which are part of the National Plan of Federal Integrated Airport Systems (NPIAS). The General Aviation Entitlement Program has three sections:

- Capital Improvement Planning – conducts annual safety, operations and infrastructure development evaluations of the 12 state-owned NPIAS airports.
- Capital and Construction Project Management - manages federal grant assurance obligations and receives federal funding for qualifying projects.
- Airport Improvement Project Grant Administration and Management - administers capital improvement and construction project grants at the 12 state-owned NPIAS airports for safety, operations, and infrastructure development.

The Governor's budget for General Aviation Entitlement is \$10.5 million total funds with 90 percent of these resources coming from FAA grants. The state provides the remaining 10 percent as match for the federal grants. Funding for safety improvements at state-owned airports, commercial air service to rural Oregon and grants for economic development, FAA grant match and emergency preparedness are funded from two cents per gallon of aviation and jet fuel tax.

### **Pavement Maintenance**

The Pavement Maintenance program is a state-funded aid program to assist airports with pavement preventive maintenance. Preventative maintenance is the most cost-effective means to preserve the system's airport pavement infrastructure. The program evaluates airport pavement at one third of the state airports each year. Airports who participate in the program are scheduled for pavement work the year following the evaluation. The program provides funding for an average of 14 airports per year. There are 67 paved public use airports in the state. The Governor's budget for the Pavement Maintenance

program is \$2.4 million total funds and 0.50 FTE. The program is funded with approximately a half cent per gallon of jet fuel and four cents per gallon of aviation fuel.

### **Aircraft Registration**

The Aircraft Registration program registers over 3,500 aircraft per year and provides the primary source of Other Funds revenue to the agency. The Governor's budget for this program is \$0.2 million total funds and one position. Aircraft registration fees fund this program and provide the 10 percent match for General Aviation Entitlement Programs. The budget supports this program at its current operating level.

### **Aviation Systems Action Program**

The Aviation System Action program was separated from the General Aviation Entitlement program during the 2019-21 biennium to track expenditures from the \$0.02 jet fuel and aviation gas tax increases passed during the 2015 Legislative Session. This program provides grants to airports throughout the state for economic development, FAA grant match, and emergency preparedness. The program also assists with funding commercial air service to rural Oregon and provides funding for safety improvements at state owned airports. The Governor's budget for the Aviation System Action Program is \$15.4 million total funds.

### **Airport Construction Projects**

The Airport Construction Projects program is a new a program area developed when the 2020 Legislative Session approved General Fund for the Cape Blanco airport runway replacement and electrical system upgrades project. This project was completed during the 2023-25 biennium. There are no General Fund projects recommended in the Governor's budget.

### **Capital Construction**

The Governor's budget for the Capital Construction program is \$5.8 million total funds. The FAA, through the Bipartisan Infrastructure Law, or BIL, made investments of \$3.0 million to support the waterline and runway repairs at Mulino Bay Airport. The agency will also receive funding from the Oregon Department of Transportation, *ConnectOregon* program to replace the Oakridge Airport's runway and other related upgrades.

This program area is similar to the General Aviation Entitlement program, which administers FAA funded projects to address safety, operations, and infrastructure development at airports in Oregon. The only difference between the two programs are projects in this program exceed \$1.0 million. Ninety to 95 percent of the revenue for this program comes from FAA funding and state match from other agency revenue sources.

## Oregon Department of Transportation

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$74,908,610	\$80,930,280	\$53,462,854
Lottery Funds	121,580,406	135,204,750	144,630,965
Other Funds	4,645,901,308	5,883,606,156	6,862,959,635
Federal Funds	107,303,554	193,450,141	201,801,750
Other Funds (Nonlimited)	4,749,230	18,000,000	18,000,000
Federal Funds (Nonlimited)	19,500,655	18,764,647	17,933,514
Total Funds	\$4,973,943,763	\$6,329,955,974	\$7,298,788,718
Positions	4,935	4,939	4,908
Full-time Equivalent	4,731.92	4,806.87	4,802.56

### OVERVIEW

The Oregon Department of Transportation's (ODOT) mission is to provide safe and reliable multimodal transportation connecting people and helping Oregon's communities and economy thrive. The Department is specifically responsible for administering programs related to Oregon's highways, roads, bridges, railways, public transportation services, transportation safety, driver and vehicle licensing, and climate and motor carrier regulations. ODOT works with a variety of organizations on these diverse issues. The Department is governed by the Oregon Transportation Commission (OTC) with assistance from the Area Commissions on Transportation. OTC is a five-member, voluntary board appointed by the Governor and confirmed by the Senate. The Oregon Transportation Commission develops and maintains state transportation policy and a comprehensive, long-range plan for a multimodal transportation system that fosters innovation.

### GOVERNOR'S BUDGET

The Governor's budget is \$7,298.8 million total funds and supports 4,908 positions. The budget is 15.3 percent increase from the 2023-25 Legislatively Approved Budget. Due to identified revenue shortfalls, ODOT submitted a substantial reduction package as part of the 2025-27 Agency Request Budget. This was necessary to align agency operations with existing available revenues. The Governor's budget recognizes the need to find a stable funding mechanism for the continued support of ongoing operations while investing in programs to advance progress on near-term safety and resiliency needs. The budget assumes new Other Funds revenue totaling \$1.75 billion will be developed through customary means to cover both ongoing operations and future transportation needs and includes funding for the following priorities:

- Restoration of 988 positions across the agency, which were initially eliminated in the Agency Requested Budget due to declining revenue projections.



- Additional funding to address priority needs:
  - Maintenance associated with repairing existing transportation infrastructure and keeping the highway system open and functional.
  - Preservation functions focused on repairs and replacement of existing bridges, pavement, culverts and signal infrastructure to ensure long-term performance.
  - Increased capacity for essential customer service and data integrity within the Driver and Motor Vehicle Services program area, including federal requirements around the REAL ID program.
  - Support for a variety of safety programs that include but are not limited to reducing fatal and serious injury crashes on all roads within Oregon, investing in safe routes to school projects and maximizing federal grant opportunities.
  - Provides sufficient funding to sustain, as well as promote safe, efficient and responsible commercial transportation industry by ensuring commercial vehicles (freight trucks) traveling across Oregon's transportation system are compliant with all safety regulations.
- Provide essential state match for Infrastructure Investment Job Act (IIJA) / Bipartisan Infrastructure Law funding to support existing and newly approved capital projects across the state.
- Expand staffing resources to improve the federal and state granting programs utilized by public transit providers.
- Carryforward of the American Rescue Plan Act (ARPA) funding to complete Phase 2A of the Newberg-Dundee bypass.
- Support for the three ODOT revenue bond programs.
- Continued resourcing of the Interstate Bridget Replacement project.
- Support for housing initiatives funding a DMV mobile office providing state ID cards for Oregonians leaving state institution and working with other state agencies to provide a single point of contact for project permits review for housing related projects.

## REVENUE SUMMARY

The majority of ODOT's revenue comes from motor fuels tax, weight-mile tax collections, and motor vehicle licensing and registration fees. However, State Highway Fund revenues from gas sales are declining, in part because vehicles are becoming more fuel-efficient and the number of electric vehicles on the road are increasing. Revenue included in legislation passed in 2017 offsets this decline through the 2023-25 biennium, but beyond that point the fuel tax revenue decline is immanent.

Currently, net proceeds from the State Highway Fund are shared with cities and counties on a formula basis after appropriate collection costs have been deducted by ODOT. This budget does not specifically address revenue sharing for local government partners and transit districts. The Department also collects various special fees and surcharges that are transferred to other state and local agencies. A portion of state fuel taxes collected for various special classes of vehicles, such as boats and snowmobiles, are transferred to other state agencies for use in programs benefiting the users of these vehicles.

The Infrastructure Investment Job Act (IIJA) was authorized by Congress in 2021. This included new federal surface transportation funding, which is expected to bring in an additional \$1.2 billion to the state over a five-year period (2022 - 2026). IIJA also offers competitive grants. Any grants awarded to ODOT usually offsets the use of the State Highway Fund for previously approved projects, allowing the state to take advantage of these savings to be utilized on other state proposed projects.

The agency also receives General Fund to cover debt service for the Interstate 5 Bridge Replacement project and the Oregon State Police share of the State Radio Project. Lottery Funds cover debt service for *ConnectOregon* I through VII and the rural Veteran Healthcare Transportation grant program.

## **AGENCY PROGRAMS**

### **Oregon Transportation Infrastructure Fund**

The Oregon Transportation Infrastructure Fund includes a Nonlimited Loan and Grant Program and the Oregon Transportation Infrastructure Bank, which was established in 1997 as a revolving loan fund. The program makes loans to local governments, transit providers, ports, and other eligible borrowers to pay for the design and construction of transportation projects involving many partners, such as local agencies, state agencies, and the Federal Highway Administration.

The Governor's budget provides \$21.4 million total funds for the Oregon Transportation Infrastructure Fund. This includes a \$3.4 million Other Funds that carry forward for the Wildlife Vehicle Collision projects and \$18.0 million Other Funds Nonlimited for the continuation of existing programs.

### **Capital Improvements**

The Capital Improvements program provides additions and/or enhancements to existing facilities (buildings) for department projects costing less than \$1.0 million. ODOT needs facilities capable of housing equipment and machinery to perform highway maintenance activities, in order to have the ability to maintain, preserve, repair, and restore existing highways and to keep them safe and useable for travelers. The Governor's budget is \$18.5 million Other Funds. The revenue for this program comes from the State Highway Fund.

### **Capital Construction**

The Capital Construction program provides funds for modern, cost-effective facilities (buildings). Highway construction projects are not treated as Capital Construction projects in the budget as the projects are statutorily exempt from the definition of "Capital Construction," which is defined as projects equal to or greater than \$1.0 million. There are no new ODOT Capital Construction projects planned for the 2025-27 biennium.

### **Delivery and Operations**

Oregon has almost 74,000 miles of paved roads owned by federal, state, county, and city governments. State highways comprise a little more than 11 percent of total road miles but carry 58 percent of the traffic and more than 20.7 billion vehicle miles travelled per year. The state highway system provides access to intrastate, interstate, and international markets for traded sector goods. It also provides

critical links between our communities around the state and domestic and international markets served by our airports, marine terminals, and rail lines. The program works to ensure this goal by maintaining, preserving, and repairing the state highway system.

This program includes the following major subprograms:

- The Maintenance Program - encompasses the activities associated with repairing existing transportation infrastructure and keeping the highway system open and functional. The program is responsible for about 8,000 miles of roads and 2,700 bridges across the state. Maintenance includes everything related to pavement sustainability that range in activities associated with centerline painting, shoulders, drainage work, roadside and vegetation work, patching potholes and fixing guardrails to bridge work, responding to crashes, facility and fleet management, state radio system, plowing snow, and addressing trash, graffiti and camp cleanup.

The Governor's budget is \$919.4 million Other Funds and supports 1,397 positions. The budget supports restoring 414 positions to sustain the ongoing roadwork as outlined above.

- Project Delivery and Support – addresses transportation projects related to mobility, safety, accessibility, and projects benefiting state-owned facilities. The program was reorganized in 2023-25 biennium and oversees the following:
  - *Preservation program* - keeps highways in the best possible consideration based on available funding, using a life-cycle cost approach to roadway preservation and maintenance.
  - *Bridge program* - responsible for inspection, preservation, reconstruction of more than 2,700 bridges, overpass crossings, railroad under crossings, tunnels, and other bridge structural elements that may impact a bridge's integrity.
  - *Safety and Operations program* - includes the All Roads Transportation Safety (ARTS), comprised of Highway Safety and Highway Operations. Highway safety implements a data-driven strategic approach focusing on implementing cost-effective and proven safety countermeasures to reduce serious injuries on all public roads in Oregon.
  - *Modernization program* - enriches or expands the transportation system in order to facilitate economic development, reduce congestion, and improves safety.
  - *Special programs* - provide indirect, technical and program support for the Delivery and Operation division construction program.
  - *Urban Mobility Office* - was created from House Bill 2017 (2017). The core projects for this office comes from the bill's financial investments to address congestion issues in the Portland-metro region and to improve transportation system statewide.
  - *American with Disabilities Act (ADA) Curb Ramp Program* - created in response to a 2016 settlement agreement stemming from a lawsuit involving the installation and modification of curb ramps and pedestrian signals on the state transportation system.

The Governor's budget is \$3.07 billion Other Funds and supports 1,354 positions. The budget supports restoring 371 positions across the Division. This budget also provides funding for maintenance and operations, system preservation and safety, including:

- *Interstate Bridget Replacement (IBR)* - is a new budget structure designed to track appropriations and expenditures for the IBR project across the Columbia River. The project is expected to address systemic resiliency, multimodal capabilities, as well as extending light-rail transportation into the Vancouver, Washington area from Portland. The Governor's budget is \$427.1 million Other Funds and supports 40 positions, this includes limitation to expend \$251.8 million of bond funding.
- *The Local Government program* - provides project delivery oversight and program administration to assist with transportation improvement projects within local jurisdictions. The program accounts for approximately 20 percent of Oregon State Transportation Improvement Program funding. The Governor's budget is \$416.0 million Other Funds and supports 54 positions. The budget supports restoring 17 positions and the continuation of IIJA ODOT projects. Funding for this program comes from the State Highway Fund and the Federal Highway Administration.
- *Carryforward funding* - ARPA carryforward funding will be utilized to complete Phase 2A of the Newberg-Dundee bypass.

### **Driver and Motor Vehicle Services**

The Driver and Motor Vehicles Services Division (DMV) promotes driver safety, protects financial and ownership interests in vehicles, and collects revenues for Oregon's highway system. DMV provides services to almost every Oregonian by issuing over 600,000 driver licenses and ID cards, one million vehicle titles, and almost two million vehicle registrations each year. The DMV also regulates and inspects approximately 3,500 vehicles and driver related businesses in Oregon. The DMV provides in-person customer service at 60 field offices statewide, serving almost 8,000 customers per day and over two million customers per year.

Funding is almost entirely derived from fees collected for driver licensing, vehicle title/registration and records. Fees collected from business licenses and Identification Cards are deposited in the Transportation Operating Fund to support business regulation activities and senior and disabled transportation. Federal funding also comes to the Department from the U.S. Department of Transportation's Federal Motor Carrier Safety Administration, the U.S. Department of Homeland Security and the U.S. Department of Justice.

The Governor's budget is \$422.7 million Other Funds and supports 904 positions. The budget supports restoring 14 permanent positions and continues 26 limited duration positions dedicated to issuing REAL IDs. Additionally, the budget supports customer contact and call center improvements, implementing data integrity findings, and creating portable DMV offices to assist with reducing homelessness by providing Oregonians with state IDs upon transitions from state institutions into the community.

## Commerce and Compliance

The Commerce and Compliance Division is responsible for regulating the transportation industry by ensuring commercial vehicles traveling across Oregon's transportation system are compliant with all safety regulations. This program operates Ports of Entry, weigh stations and portable scale sites. The division regulates a diverse industry ranging from one-truck owner-operators to carriers with large fleets from throughout the United States and Canada. The scale sites check millions of trucks each year to ensure proper vehicle size and weight limits to reduce highway infrastructure damages and hazards to the motoring public. Through their tax and fee payments processes, the program collects nearly one-third of all money received for the State Highway Fund.

The Governor's budget is \$168.6 million total funds and supports 306 positions. The budget supports existing services along with upgrades to their tax and registration systems, roadside enforcement, modernizing truck weight stations and safety inspection facilities along major highways. Funding comes from the State Highway Fund and the Federal Motor Carrier Safety Administration.

## Policy, Data and Analysis

The Policy, Data, and Analysis program has a diverse portfolio of responsibilities and provides support and services ranging from shared technical assistance to cities, counties, and metropolitan planning organizations to providing financial support, partner funding or planning and infrastructure support to local governments. This program uses a decision-making process that addresses transportation needs through its research, data collection and planning responsibilities.

The Governor's budget is \$195.2 million total funds and supports 201 positions. The budget supports the continuation of IIJA ODOT projects, with funding from the State Highway Fund and the Privilege Taxes collected by the Department of Revenue for *ConnectOregon*.

## Public Transportation

The Public Transportation Division reorganized its budget structure and now provides or commissions transit, passenger rail, active transportation options and micro-mobility services across Oregon. One-third of Oregonians do not have access to a car, choose not to drive or are unable to drive. The Division also manages contract services to fill gaps in statewide transit networks, such as the Public Oregon Intercity Transit (POINT) bus service, and the Amtrak Cascades passenger rail system.

Grant funding comes from the Federal Transit Administration and a payroll tax, which is used primarily for formula allocations and competitive grants to local transit agencies. Funds are primarily distributed to local service providers in three ways: 1) through a formula based primarily on service-area population; 2) through a formula based on the number of rides given and miles traveled; and 3) through a biennial discretionary grant solicitation combining multiple sources of federal and state funding. Although not included within the proposed budget, increased payroll tax revenue will be needed to sustain and grow transit service throughout the state.

The Governor's budget is \$513.5 million total funds and support 56 positions. The budget supports adding staffing resources to improve the federal and state granting programs utilized by public transit providers and establish one new position to administer the rural transportation grant program on behalf of the Oregon Department of Veterans' Affairs.

### **Debt Service**

The Debt Service program consists of principal and interest payments related to debt and loan activities. The Governor's budget is \$732.0 million total funds. General Fund debt service pays for the Interstate Bridge Replacement Project and the Oregon State Police share of the State Radio Project. Lottery Funds support the Department's debt service on *ConnectOregon* I through VII. The Other Funds debt service is paid with State Highway Funds and supports bonding used to deliver projects authorized under the transportation funding packages, including House Bill 2017 (2017) commitments.

### **ODOT Administrative Services**

ODOT Administrative Services incorporates the following agency-wide services: government relations, communications, audit, business services, facilities, human resources, information technology systems, and procurement. The new Division also includes the OTC administration, and the Office of Equity and Civil Rights. Administrative Services is primarily funded by the Department's operating division assessment model. Each Division is assessed a prorated share of the central services operating costs.

The Governor's budget is \$299.7 million total funds and supports 477 positions. The budget restores 146 positions, supports the continuation of IIJA ODOT projects, the Urban Mobility Strategies program, implementation of the agency's Diversity, Equity and Inclusion Action Plan, ongoing work with the Road Usage Charge program, and continued planning for the Interstate Bridge Replacement project.

### **Finance and Budget**

The Finance and Budget Division program includes financial, budget, and economic-financial analysis services for the entire agency. Financial services include, but are not limited to, accounting, payroll support, contractor payments, travel claims processing, financial training, coordination and reporting, debt management, collection services, cost allocation, and billing. The Division also produces ODOT's budget, position fiscal management, fiscal impact statements for the Legislature, business analysis coordination, cash management, maintenance management system, and financial claims management.

The Governor's budget is \$91.2 million total funds and supports 119 positions. The budget restores 26 positions, supports the Urban Mobility Strategies program, assists with the Road Usage Charge program, responsible for coordinating the transportation revenue bond programs and the Financial Services Fuel Tax program.



# CONSUMER AND BUSINESS SERVICES

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Program Area and Agency Information





## CONSUMER AND BUSINESS SERVICES AGENCIES

### Consumer and Business Services Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$41,959,909	\$46,805,552	\$38,706,728
Lottery Funds	202,834	316,222	307,006
Other Funds	518,454,448	653,861,306	761,330,653
Federal Funds	128,950,157	140,116,897	137,811,123
Other Funds (Nonlimited)	216,061,836	241,781,304	242,446,191
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$905,629,184	\$1,082,881,281	\$1,180,601,701
Positions	1,519	1,600	1,689
Full-time Equivalent	1,493.08	1,558.48	1,674.95

#### OVERVIEW

The Consumer and Business Services agencies protect consumers and workers and promote a positive business climate in the state. The agencies within the Consumer and Business Services Program Area include:

**Department of Consumer and Business Services (DCBS)**: protects consumers and workers in matters of workers compensation, occupational safety and health, state building codes and financial services and insurance, while supporting a positive business climate.

**Bureau of Labor and Industries (BOLI)**: protects people's rights in workplaces, career schools, and housing and public accommodations; enforces wage and hour laws; promotes the development of a skilled workforce; and provides training to employers.

**Public Utility Commission (PUC)**: works to ensure safe and reliable utility services are provided to consumers at equitable and reasonable rates through regulation, while also promoting the development of competitive markets; resolves customer complaints about utility service; and provides affordable and accessible telephone service across Oregon.

**Regulatory Boards**: protects customers of various professional services, ensures only qualified people are licensed or bonded, and sets and ensures standards of conduct.

## GOVERNOR'S BUDGET AND KEY INVESTMENTS

The Governor's budget for the Consumer and Business Services Program Area is \$1,180.6 million total funds. This is an 9.0 percent increase from the 2023-25 Legislatively Approved Budget. Other Funds and Federal Funds provide 96.7 percent of the budget for this program area. The General Fund provides 38.7 million and makes up 3.3 percent of the budget. Lottery Funds contribute only 0.3 million and reside completely with BOLI.

The Governor's budget contributes to the physical and financial well-being of consumers by funding programs designed to adapt and change with the business environment across a variety of fields. The budget for DCBS includes funding for current agency programs, increased resources for outreach and community engagement related to worker safety, and financial education and invests in planning for an upgrade to the workers' compensation information technology system. The Governor's budget also continues the Oregon Reinsurance Program, which reduces premiums in the individual healthcare marketplace by a net 6.0 percent and renews the provider taxes that support the program.

The budget for BOLI makes investments in a variety of areas, supported by a one-time transfer to DCBS, which funds a number of staff throughout the agency to modernize operations and reduce workloads on existing staff through the reduction of cases or complaints per staff person. Wage Security Fund is also furnishing part of the costs related to Wage and Hour staffing packages. Funding also supports work to continue work on the Case Management Replacement Project. An additional \$5.0 million was provided to respond to CHIPS Childcare Fund investments.

The Governor's budget for PUC includes funding for staff to meet a growing scope of work, such as utility wildfire mitigation. This includes funding to establish five positions, an increase in professional services funding to help address new responsibilities relating to clean energy and electrification and adding a communications position. In addition, it includes funding to finish the implementation of PUC's Activity Docketing System and pay for its maintenance as well as plan and implement a new Residential Services Protection Fund database.

The budgets for the various regulatory boards increase expenditure limitation to support the Health Professionals' Services Program along with rising costs for testing services and vendor fees. The Governor's budget supports quality customer service, increased transparency, and timely processing of license applications through investments in new licensing systems for the Board of Pharmacy, the Board of Licensed Social Workers, the Mental Health Regulatory Agency, and the Construction Contractors Board. The budget supports current programs through the addition of administrative positions, investigators, and reclassification and restructuring of existing staff.

## Oregon Board of Accountancy

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	2,264,706	3,074,589	4,360,279
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,264,706	\$3,074,589	\$4,360,279
Positions	8	7	7
Full-time Equivalent	7.50	7.00	7.00

### OVERVIEW

Legislatively created in 1913, the mission of the Oregon Board of Accountancy is to protect the public by regulating the practice and performance of all services provided by licensed accountants. The Board is composed of seven members who are appointed by the Governor. Five members are certified public accountants, one member is a public accountant, and one public member is unaffiliated with the profession.

The Board staff evaluates and approves licensing qualifications, registers public accounting firms, reviews and reinstates qualified practice permits and firm registrations, investigates complaints, and enforces public accounting regulations through disciplinary actions. Approximately 8,000 certified public accountants, municipal auditors, public accountants, and 800 accounting firms are licensed or registered by the Board.

### RECOMMENDED BUDGET

The Governor's budget is \$4.4 million total funds. This is a 41.8 percent increase from the 2023-25 Legislatively Approved Budget and funds seven positions. The budget allows the agency to continue current service operations, realign staffing resources to better address workload, and provide funding for accounting scholarships.

### REVENUE

The Board is funded entirely with Other Funds. Approximately 86 percent of revenue received is from professional licensing fees, and the remaining 14 percent is generated from fines assessed for violations of statute or rule, interest, and income from sales of licensee lists.

## Board of Chiropractic Examiners

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,955,692	2,661,824	2,475,556
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,955,692	\$2,661,824	\$2,475,556
Positions	6	6	5
Full-time Equivalent	5.10	5.75	4.75

### OVERVIEW

The Board of Chiropractic Examiners was established in 1915 to protect the health, safety, and welfare of the public in all matters of chiropractic care by setting standards in educating, licensing, and regulating chiropractic licensees. The Board ensures public protection by regulating standards for entry to practice, examination of applicants, issuance and renewal of licensing, ensuring licensees complete continuing education, rulemaking, and setting practice guidelines for more than 1,900 active and inactive Doctors of Chiropractic and 1,700 Chiropractic Assistants.

The Governor appoints the seven-member board, which includes five chiropractic physicians and two public members. The Board sets requirements for licensure, establishes policies, reviews investigative cases, and takes disciplinary or other action where appropriate.

### GOVERNOR'S BUDGET

The Governor's budget for the Board of Chiropractic Examiners is \$2.5 million total funds. This represents a 7.0 percent decrease from the 2023-25 Legislatively Approved Budget. The budget includes five positions (4.75 FTE), which represents a decrease of one position (1.00 FTE). The Governor's budget supports a fee ratification to continue operations and reclassifies one position.

### REVENUE SUMMARY

The Board is funded entirely with Other Funds revenue generated from fees paid for professional licenses, examinations, and miscellaneous revenue. The budget supports an increase in fees to fund Board operations and prevent program reductions. The Board receives 93.5 percent of its revenue from licensure, application, and examination charges from licensees. Civil penalties, cost recovery, and late renewal fees account for 6.4 percent of revenues. Miscellaneous charges for copies, labels, and lists accounts for the remaining revenues.

## Construction Contractors Board

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	17,472,891	19,950,763	23,333,963
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$17,472,891	\$19,950,763	\$23,333,963
Positions	59	59	60
Full-time Equivalent	59.00	59.00	59.50

### OVERVIEW

The Construction Contractors Board regulates construction contractors and related industries promoting a competitive business environment through testing and licensing contractors, investigating complaints, adjudicating claims, and educating customers and contractors. The Agency focuses on contractor accountability and protects the public interest relating to improvements to real property. The Board consists of nine members appointed by the Governor, including six contractors, one elected representative of local government, and two public members.

### GOVERNOR'S BUDGET

The Governor's budget for the Construction Contractors Board is \$23.3 million total funds and supports 60 positions. This is a 17.0 percent increase from the 2023-25 Legislatively Approved Budget. Currently, the agency oversees approximately 49,000 licensed contractors, which is 7,000 greater than initially projected at the start of the 2023-25 biennium. The budget supports current operations and new Information Technology investments including a new licensing system and moving IT hosting to the State Data Center. These investments will ensure important modern security features and functionality providing a better customer experience for Oregonians and better functionality for staff.

### REVENUE SUMMARY

The Construction Contractors Board relies entirely on Other Funds from contractor license fees, complaint processing fees, and civil penalty payments. The budget supports fee increases to new and renewed contractor licenses, which will support the new licensing system improving agency operations. While the agency does not receive any General Fund, 80 percent of the civil penalty revenue is sent to the General Fund. This contribution to the General Fund is projected to be approximately \$0.9 million for the 2025-27 biennium.

## Department of Consumer and Business Services

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$4,638,263	\$12,803,438	\$1,898,464
Lottery Funds	0	0	0
Other Funds	356,763,760	444,995,404	505,402,300
Federal Funds	126,498,930	136,584,313	133,976,959
Other Funds (Nonlimited)	162,620,314	186,012,644	186,673,095
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$650,521,267	\$780,395,799	\$827,950,818
Positions	953	989	1,021
Full-time Equivalent	945.18	975.52	1,012.55

### OVERVIEW

The Department of Consumer and Business Services (DCBS) is Oregon's largest business regulatory and consumer protection agency. The Department administers programs that protect consumers and workers while supporting a positive business climate in the state. The Department's four main areas of regulation are: Workers Compensation, Oregon Occupational Health and Safety (OSHA), Financial Regulation, and Building Codes.

### GOVERNOR'S BUDGET

The Governor's budget for DCBS is \$828.0 million total funds. This is a 6.1 percent increase from the 2023-25 Legislatively Approved Budget. The budget supports current agency programs, increased resources for outreach and community engagement related to worker safety, and financial education and invests in planning for an upgrade to the workers' compensation information technology system. The Governor's Budget also continues the Oregon Reinsurance Program, which reduces premiums in the individual healthcare marketplace by a net 6.0 percent and renews the provider taxes that support the program.

### REVENUE SUMMARY

The Department receives its revenues from almost 500 dedicated fees, assessments, and charges. The two largest revenue sources are the Workers' Benefit Fund Assessment and the Workers' Compensation Premium Assessment. For the Workers' Benefit Fund, employers and employees each contribute two cents per hour worked to support the services included in the 2025-27 Governor's Budget. For the Workers' Compensation Premium Assessment, most employers will pay a 9.8 percent assessment on workers' compensation premiums to support the programs included in the 2025-27 Governor's budget.

The Department receives Federal Funds from the Centers for Medicaid and Medicare Services to support the Oregon Reinsurance Program and Oregon OSHA inspection and consultation programs. DCBS' Division of Financial Regulation collects retaliatory taxes from out-of-state insurance companies, which are transferred to the General Fund. In addition, the difference between the revenues and expenditures of the Securities Program within the Division of Financial Regulation are transferred to the General Fund. Other General Fund transfers include fines collected by the Division of Financial Regulation. The total transfer to the General Fund is estimated to be \$223.9 million for the 2025-27 biennium.

## **AGENCY PROGRAMS**

### **Workers' Compensation Accounts (Nonlimited)**

The Department administers the Self-insured Employer Adjustment Reserve account and the Self-insured Employer Group Adjustment Reserve account. These self-insured reserve funds protect injured workers whose employers are self-insured for workers' compensation. If a self-insured employer or employer group becomes insolvent or otherwise defaults on its workers' compensation obligations, the reserve funds pay for workers' compensation benefits for the employer's injured workers. The Workers' Compensation Nonlimited Account has budgeted expenditures of \$1.4 million Other Funds Nonlimited.

### **Workers' Benefit Fund**

The Workers' Benefit Fund protects the financial safety of both workers and employers. The Fund pays for some income replacement benefits to injured workers and also pays incentives to employers to keep injured workers at work and return workers to physically appropriate work. The Governor's budget for this program is \$180.9 million Other Funds Nonlimited. The Governor's Budget includes an additional one-time \$15.0 million transfer from the Workers' Benefit Fund to the Bureau of Labor and Industry to support their programs and services.

### **Workers' Compensation Board**

The Workers' Compensation Board is an independent adjudicatory agency within DCBS, which ensures Oregon workers, employers, and insurers have an efficient mechanism to resolve disputes under the Workers' Compensation Act and the Oregon Safe Employment Act. The Board proceedings move disputes into an administrative forum, reducing prolonged and costly litigation. The Governor's budget for this program is \$35.5 million Other Funds. This is a 12.7 percent increase from the 2023-25 Legislatively Approved Budget and includes an investment in an IT system to support the Division's case processing. The program operates with 79 positions.

### **Workers' Compensation Division**

The Workers' Compensation Division ensures employers provide workers' compensation coverage for their employees, as well as treatment and benefits to help injured workers return to work and helps to resolve disputes quickly, fairly, and with as little litigation as possible. The Governor's budget for this program is \$74.4 million Other Funds. This is a 19.0 percent increase from the 2023-25 Legislatively Approved Budget, which continues current program operations and includes planning and execution



funding for the modernization of the workers' compensation IT system, as well as funding for increased outreach and community engagement for injured workers. The program operates with 186 positions.

### **Oregon Occupational Safety and Health Division**

The Oregon Occupational Safety and Health Division regulates workplace safety for most Oregon employers. The Division reduces the cost of workers' compensation insurance and indirect costs of injuries and illnesses through inspections, education, and employer consultation. The Governor's budget for this program is \$81.8 million total funds. This is a 10.2 percent increase from the 2023-25 Legislatively Approved Budget. The budget provides support to continue current services, enhance community engagement, and improve oversight of agricultural laborer housing. The program operates with 220 positions.

### **Division of Financial Regulation**

The Division of Financial Regulation protects Oregonians' access to financial products and services through education, regulation, and consumer assistance. The Division oversees the safety and soundness of banks, trusts, and credit unions and the financial solvency of insurance institutions. The Division licenses finance and insurance professionals and ensures products and services comply with applicable laws and rules. The Division also regulates mortgage lending and various non-depository financial service providers.

The Governor's budget for this program is \$322.4 million total funds and supports 208 positions. This is a 5.9 percent increase from the 2023-25 Legislatively Approved Budget. The Governor's budget adds \$232.7 million total funds from existing assessment levels and federal waiver funding to support reinsurance payments to insurers in the individual health insurance market, which will support the stability of premiums in that market. The Governor's budget also supports a study of practices in setting rates for auto insurance, invests in additional outreach and engagement with community groups, and addresses workload issues in the regulation of insurers and other financial institutions.

### **Building Codes Division**

The Building Codes Division adopts construction codes for 13 specialty areas, licenses trade workers and businesses, and oversees a statewide inspection system of local government services to protect property and building occupants. The Division ensures safe and efficient building construction while supporting a positive business climate. Building Codes also provides building code services directly on behalf of certain local governments. The Governor's budget for this program is \$55.3 million total funds. This is a 2.2 percent decrease from the 2023-25 Legislatively Approved Budget, largely the result of the phase out of one-time grants for fire hardening carried into 2023-25. The Governor's budget includes funding for IT projects and staffing at Building Codes to support the Governor's housing initiative. The program operates with 137 positions.

**Central Services Division**

The Central Services Division includes the Director's Office, Central Services, Employee Services, Communications, and the Assessments Section, which administers the Workers Benefit Fund Assessment and the Workers Compensation Premium Assessment. The Governor's budget for this program is \$74.3 million total funds. This is a 9.4 percent increase from the 2023-25 Legislatively Approved Budget and adds funding to address workload issues in the Division's human resources, accounting, assessments and policy planning. The program operates with 188 positions.

**Universal Health Plan Governance Board**

Senate Bill 1089 (2023) established the nine-member Universal Health Plan Governance Board within DCBS. The Board is charged with creating a comprehensive plan to finance and administer a single payer healthcare system in Oregon. Members of the Board are appointed by the Governor and confirmed by the Senate. The Governor's budget for this program is \$1.9 million General Fund and includes three positions.

## Mental Health Regulatory Agency

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$210,133	\$0	\$625,000
Lottery Funds	0	0	0
Other Funds	4,704,788	5,998,269	7,192,917
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$4,914,921	\$5,998,269	\$7,817,917
Positions	14	15	17
Full-time Equivalent	14.00	15.00	17.00

### OVERVIEW

The Mental Health Regulatory Agency (MHRA) was established in 2018 to provide administrative and regulatory oversight of the Board of Licensed Professional Counselors and Therapists (BLPCT) and the Oregon Board of Psychology (BOP).

The Agency performs budgeting, recordkeeping, staffing, contracting, procedure and policymaking, and sets performance standards for both regulated boards. Both Boards maintain their own separate statutory authority to investigate complaints, enforce regulations, establish and collect fees, instill licensing criteria for education, training and examination, and instill practice standards including the adoption of a code of ethics.

### GOVERNOR'S BUDGET

The Governor's budget for the Mental Health Regulatory Agency is \$7.8 million total funds, which is an increase of 30.3 percent from the 2023-25 Legislatively Approved Budget (LAB). The budget includes 17 positions, reflecting an increase of two positions from the 2023-25 LAB.

BLPCT and BOP play significant roles in Oregon's ability to recruit and retain highly qualified licensed mental health professionals, and a profound impact on access to care for Oregonians in all care settings and new care models. The budget reflects an emphasis on improved customer service and timeliness to licensure via additional staff, restructuring of current positions, and makes investment to plan and implement a new licensing system.

## **REVENUE SUMMARY**

The Boards are supported by Other Funds revenues primarily generated from licensing and renewal application fees, examinations, and other miscellaneous sources. General Fund is included to support the implementation of a new licensing system.

## **AGENCY PROGRAMS**

### **Board of Licensed Professional Counselors and Therapists**

BLPCT sets requirements for voluntary licensure, establishes board policies, investigates complaints against licensees, and takes disciplinary or other action where appropriate. The Board consists of eight members, of which three are professional counselors, two are marriage and family therapists, one is a member of the faculty of a school that trains counselors or therapists, and two are from the general public. It also appoints and reviews the work of the Executive Director. Board staff perform background checks on applicants for licensure, issue and renew licenses, investigate complaints, and monitor disciplined licensees. The budget for the Board of Licensed Professional Counselors and Therapists is \$5.5 million total funds.

### **Oregon Board of Psychologists**

BOP sets requirements for licensure, establishes board practices, reviews investigative cases, and takes disciplinary or other action when appropriate. The Board consists of nine members, of which six are licensed psychologists and three are from the general public. Board staff issue and renew licenses, review continuing education standards and compliance, investigate complaints, and monitor disciplined licensees. The Board's programs ensure clients receive high quality services and appropriate treatment of mental illness and dysfunctional behavior by setting high standards for license requirements. The budget for the Board of Psychology is \$2.3 million total funds.

## Oregon Board of Dentistry

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	3,620,918	4,427,096	4,559,747
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$3,620,918	\$4,427,096	\$4,559,747
Positions	8	8	7
Full-time Equivalent	8.00	7.62	7.00

### OVERVIEW

The Oregon Board of Dentistry was established in 1887 with the mission to promote high quality oral healthcare in the state of Oregon by equitably regulating dental professionals. The Board of Dentistry is charged with the regulation of the practice of dentistry, dental therapy, and dental hygiene. The Board is comprised of 10 members appointed by the Governor and confirmed by the Senate for four-year terms. The Board is made up of six dentists, one of whom must be a dental specialist, two dental hygienists, and two public members. The Board sets standards for entry to practice dentistry, conducts examinations of applicants, issues and renews licenses, and enforces the standards of practice established in statute. The Board regulates over 8,000 licensees.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Board of Dentistry is \$4.6 million total funds. This is a 3.0 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes seven positions, which reflects a decrease of one investigator (0.62 FTE) from the 2023-25 LAB. The Governor's budget provides funding to transfer Human Resources and Payroll support responsibility from the Oregon Medical Board to Shared Services at the Department of Administrative Services. It also increases expenditures to add a list serve service for improved communication and customer service. Due to cost concerns, the Board will withdraw from the Health Professionals' Service Program.

### REVENUE SUMMARY

The Oregon Board of Dentistry is supported by Other Funds revenue generated primarily from examination fees, licensing and renewal application fees charged to dentists, dental hygienists, and dental therapists. About six percent of the board's revenue is from miscellaneous revenues generated from the sale of documents and records, late fees, interest, and civil penalties. The budget supports general fee increases to fund agency operations.

## Board of Medical Imaging

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,425,402	1,623,421	1,806,246
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,425,402	\$1,623,421	\$1,806,246
Positions	4	4	4
Full-time Equivalent	3.75	3.75	4.00

### OVERVIEW

The mission of the Board of Medical Imaging is to promote, preserve, and protect the health and welfare of Oregonians while undergoing medical imaging studies performed by licensees for the purpose of medical diagnosis and therapy. The Governor appoints the 12-member board, consisting of four licensed physicians representing different medical specialties (at least one radiologist and at least one licensed medical imaging specialist), three public members, and one member from each of the five major medical imaging modalities (MRI technology, nuclear medicine technology, radiation therapy, radiology therapists, and limited x-ray machine operators). The Board's programs set standards for license requirements to ensure patients receive high quality services while undergoing medical imaging studies. The Board also provides oversight and authorization to educational institutions and investigates violations of licensure statutes and rules.

### GOVERNOR'S BUDGET

The Governor's budget for the Board of Medical Imaging is \$1.8 million total funds. This is a 11.3 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget funds four positions, representing no change from the 2023-25 LAB. The budget supports an increase of an investigative position from part time to full time and the reclassification of the same position.

### REVENUE SUMMARY

The Board is funded entirely by Other Funds revenues initial licensing and renewal application fees, as well as from limited scope examinations.

## Oregon Mortuary and Cemetery Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	2,735,214	3,215,327	3,534,631
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,735,214	\$3,215,327	\$3,534,631
Positions	7	7	7
Full-time Equivalent	7.00	7.00	7.00

### OVERVIEW

The Oregon Mortuary and Cemetery Board is responsible for licensing and regulating the practice of individuals and facilities engaged in the care, preparation, processing, transportation, and final disposition of human remains. During the 2025-27 biennium, an estimated 92,631 deaths will occur in Oregon. Death care services are provided by approximately 2,300 practitioners and facilities throughout the state. The Board's licensees include funeral service practitioners, embalmers, apprentices, interns, pre-need salespeople, funeral establishments, immediate disposition companies, cemeteries, and crematories. The Board provides consumer protection for potentially vulnerable, grieving individuals by regulating deceptive practices or unsafe services. The Board consists of 11 members appointed by the Governor: two funeral service practitioners, one embalmer, three cemetery representatives, one crematory operator, and four public members.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Mortuary and Cemetery Board is \$3.5 million total funds. This is a 9.9 percent increase from the 2023-25 Legislatively Approved Budget (LAB). This budget funds seven positions, which represents no change from the 2023-25 LAB. The budget supports existing programs and operations.

### REVENUE SUMMARY

The Board is funded solely by Other Funds revenue from license and examination fees and the death registration filing fee.



## Board of Naturopathic Medicine

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,056,997	1,193,030	1,168,238
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,056,997	\$1,193,030	\$1,168,238
Positions	3	3	3
Full-time Equivalent	3.00	3.00	3.00

### OVERVIEW

The mission of the Board of Naturopathic Medicine is to protect the public by licensing and regulating naturopathic physicians, including certification of practitioners qualified to perform natural childbirth. The Board is composed of seven members appointed by the Governor: five licensed naturopathic physicians; and two public members. The Board determines the qualifications and fitness of applicants for licensure; establishes standards of professional responsibility, practice, and continuing education for licensees; conducts hearings on complaints concerning violations of those standards to determine the appropriate sanction when a violation is found; and administers state jurisprudence and formulary exams.

### GOVERNOR'S BUDGET

The Governor's budget for the Board of Naturopathic Medicine is \$1.2 million total funds. This is a 2.1 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). The budget includes three positions, which represents no change from the 2023-25 LAB. The Governor's budget reduces an assortment of Services and Supplies such as rental costs, travel expenses, and professional services, so the Agency can maintain the necessary ending operating balance.

### REVENUE SUMMARY

The Board is funded by Other Funds revenue primarily derived from license, certification, and examination fees. Less than 10 percent of the Board's revenue is generated by fines, forfeitures, and sales income.

## Oregon Occupational Therapy Licensing Board

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	585,917	755,948	792,907
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$585,917	\$755,948	\$792,907
Positions	2	2	2
Full-time Equivalent	1.65	1.50	1.50

### OVERVIEW

The Oregon Occupational Therapy Licensing Board's mission is to protect the public by supervising the occupational therapy practice and assuring safe and ethical delivery of occupational therapy services in Oregon. The Board issues two types of licenses: Occupational Therapists (OTs) and Occupational Therapist Assistants (OTAs). The Board develops policy and sets standards of practice; reviews applications and issues licenses to qualified applicants; investigates complaints; takes appropriate disciplinary action when violations are found to have occurred; and monitors and enforces continuing education requirements. The Board consists of five members appointed by the Governor, including three licensed occupational therapists and two public members.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Occupational Therapy Licensing Board is \$0.8 million total funds. This is a 4.9 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget funds two positions, representing no change from the 2023-25 LAB. The budget funds current operations and makes a reduction to rental expenditures aligning the budget with the Board's office space.

### REVENUE SUMMARY

The Board is funded solely by Other Funds revenue from license application fees, reinstatement of licensure fees, renewal fees, limited permit fees, civil penalties, and the sale of licensee lists. The Board renews licenses in March of even numbered years and requires at least nine months of operating reserves as an ending balance.

## Board of Examiners for Speech-Language Pathology and Audiology

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,068,097	1,303,466	1,316,857
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,068,097	\$1,303,466	\$1,316,857
Positions	3	3	3
Full-time Equivalent	3.00	3.00	3.00

### OVERVIEW

The Board of Examiners for Speech-Language Pathology and Audiology protects the public by licensing and regulating the performance of speech-language pathologists, speech-language pathology assistants, and audiologists. The Board regulates the professional practice of speech-language pathology and audiology through ongoing monitoring of licensees, including investigating professional competence and conduct. The Governor appoints the seven-member board, consisting of two audiologists, two licensed speech-language pathologists, one medical doctor who holds board certification from the American Board of Otolaryngology, and two public members.

### GOVERNOR'S BUDGET

The Governor's budget for the Board of Examiners for Speech-Language Pathology and Audiology is \$1.3 million total funds. This is a 1.0 percent increase from the 2023-25 Legislatively Approved Budget (LAB). This budget funds three positions, which represents no change from the 2023-25 LAB. The budget supports current operations and makes a reduction to rental expenditures to align the budget with the Board's current use of office space.

### REVENUE SUMMARY

The Board of Examiners for Speech-Language Pathology and Audiology is funded by Other Funds revenues received primarily from application fees, initial license fees, and renewal fees. The remaining revenue is generated through delinquent fees, civil penalties, interest income, and sales of mailing lists.

## Oregon State Veterinary Medical Examining Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,213,794	1,734,639	1,922,747
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,213,794	\$1,734,639	\$1,922,747
Positions	4	5	5
Full-time Equivalent	3.75	5.00	5.00

### OVERVIEW

The Oregon Veterinary Medical Examining Board's (OVMEB) mission is to protect animal health and welfare, public health, and consumers of veterinary services. OVMEB regulates the veterinary professions in Oregon through enforcement of the Veterinary Practice Act. The Governor appoints the eight-member board, consisting of five members licensed to practice veterinary medicine, surgery, and dentistry in Oregon, two public members, and one certified veterinary technician. The Board establishes licensing requirements and monitors the professional conduct of veterinarians, veterinary technicians, euthanasia shelters, and euthanasia technicians. The Board investigates consumer complaints and takes appropriate remedial or disciplinary action.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon State Veterinary Medical Examining Board is \$1.9 million total funds. This is a 10.8 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes five positions, which reflects no change from the 2023-25 LAB. The budget supports current operations and makes a reduction to rental expenditures aligning the budget with the Board's current use of office space.

### REVENUE SUMMARY

The Board is funded solely by Other Funds revenue. Ninety-nine percent of the Board's revenue is from application, examination, and license fees, while the remaining revenue is from the sale of license lists and collection of civil penalties. The Governor's budget supports fee increases to fund operational expenses. The last fee increase took place in 2014.

## Bureau of Labor and Industries

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$37,111,513	\$34,002,114	\$35,558,264
Lottery Funds	202,834	316,222	307,006
Other Funds	12,849,290	22,127,472	44,437,183
Federal Funds	1,486,593	2,240,160	2,323,667
Other Funds (Nonlimited)	235,751	938,700	938,700
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$51,885,981	\$59,624,668	\$83,564,820
Positions	150	177	230
Full-time Equivalent	138.92	154.43	227.25

### OVERVIEW

The mission of the Oregon Bureau of Labor and Industries (BOLI) is to protect employment rights, advance employment opportunities, and ensure access to housing and public accommodations free from discrimination. BOLI works to protect the rights of workers and individuals to equal, non-discriminatory treatment through the enforcement of anti-discrimination laws that apply to workplaces, housing and public accommodations. The agency encourages and enforces compliance with state laws relating to wages, hours, terms and conditions of employment; and educates and trains employers to understand and comply with both wage and hour and civil rights law. The agency also promotes the development of a highly skilled, competitive workforce in Oregon through the apprenticeship program and through partnerships with government, labor, business, and educational institutions.

### GOVERNOR'S BUDGET

The Governor's budget for the Bureau of Labor and Industries is \$83.6 million total funds and includes 230 positions (227.25 FTE). The budget makes investments in a variety of areas through General Fund increases and a one-time transfer from the Department of Consumer and Business Services (DCBS) Worker's Benefit Fund. The funding supports a number of staff increases throughout the agency to modernize operations and reduce workloads on existing staff with the reduction of cases or complaints per staff person. An additional \$5.0 million was provided to respond to CHIPS Childcare Fund requirements. Wage Security Fund is also furnishing part of the costs related to Wage and Hour staffing packages. Funding is also provided to continue work on the Case Management Replacement Project.

### REVENUE SUMMARY

Core functions of the agency are funded primarily with General Fund and Other Funds. Other Funds make up the majority of BOLI's available revenue. Other Funds revenue is comprised of Licenses and Fees, Charges for Services, Fines, Interest, and Sales income. Additional sources of Other Funds are received

through state agency contracts with the Oregon Employment Department (OED), the Department of Consumer and Business Services, and the Oregon Department of Transportation. A large source of Other Funds comes from OED, which is derived from a portion of unemployment insurance taxes paid by employers each biennium. These funds are used for the Wage Security Fund (WSF) program. There is also a one-time \$15.0 million transfer from the Worker Benefit Fund at DCBS included in the Governor's budget.

## **AGENCY PROGRAMS**

### **Commissioner's Office and Program Support Services**

The Commissioner's Office provides policy direction and overall management of the bureau's programs. The Commissioner is a legislatively established statewide elected official. The Office is charged with enforcing all laws regulating and protecting the employment of all employees in Oregon, advance employment opportunities through apprenticeships, protecting access to housing, and public accommodations free from discrimination.

The Governor's budget for this program is \$12.1 million General Fund, \$15.9 million Other Funds, and \$0.4 million Federal Funds and includes 62 positions. The budget represents a 110.6 percent increase in total funds from the 2023-25 Legislatively Approved Budget (LAB), due to the funding of several policy packages. Specifically, fourteen new staff are recommended to align staffing with workload needs and another five are included to create positions in human resources, information technology, and finance to support agency operations. The second phase of the case management replacement project is funded. Finally, an additional administrative law judge position is created in this division to support the clearing of Wage and Hour backlogs.

### **Civil Rights Division**

The Civil Rights Division protects Oregonians from unlawful discrimination by investigating allegations of civil rights violations in workplaces, career schools, housing, and public accommodations. In addition to enforcing Oregon laws, the Unit has contracts for processing civil rights cases with the U.S. Equal Employment Opportunity Commission, the U.S. Housing and Urban Development, and the Oregon Occupational Safety and Health Administration.

The Governor's budget for this program is \$12.7 million General Fund, \$7.2 million Other Funds, and \$1.9 million Federal Funds and includes 68 positions. The budget represents a 49.2 percent increase in total funds from the 2023-25 LAB, primarily due to the funding of new staff to better address workload in the Division.

### **Wage and Hour Division**

The Wage and Hour Division is responsible for the administration and enforcement of state laws regarding minimum wage; overtime and wage collection; child labor; farm, forest and construction labor; prevailing wages; and sick time. The Division also enforces regulations pertaining to private employment agencies, conducts wage surveys, and publishes prevailing wage rates to be paid to workers employed

on public works contracts. It also licenses and regulates farm, forest, and construction labor contractors.

The Division largely serves employees who are not represented by a labor union, have low-income jobs, and are considered “at risk” or vulnerable to exploitation. This includes children, migrant farm workers, and those who are not fluent in English. Wage claims are filed for a variety of reasons including failure to pay final wages; failure to pay minimum wage rate or overtime; failure to pay for all hours worked; or making unlawful deductions from wages.

The Governor’s budget for this program \$7.0 million General Fund, \$17.0 million Other Funds, and \$0.9 million Other Funds Nonlimited and has 82 positions. The budget represents a 68.0 percent increase in total funds from the 2023-25 LAB, primarily due to the funding of a staffing to reduce this Divisions’ workload per staff member.

### **Apprenticeship and Training Division**

The Apprenticeship and Training Division (ATD) promotes the development of a highly skilled, competitive workforce in a variety of occupations and trades. The Division provides technical assistance to employers, labor unions, and government and education partners to increase training and employment opportunities by promoting apprenticeship. Apprenticeship is industry-led, meaning employers and labor – the experts in industry standards – set the expectations for skill attainment. It is an “earn while you learn” model, which combines on-the-job training provided by the employer with job-related instruction in curricula tied to the attainment of national and state skills standards. The Division works with local apprenticeship committees statewide to ensure quality training and equal employment opportunities. The Division regulates the operation of registered apprenticeship programs to make sure they meet quality and industry standards. It tracks and certifies the attainment of skills by apprentices and provides oversight to programs to ensure they meet all statutory obligations. The Division also oversees the requirement for apprentice employers to meet diversity requirements.

The Governor’s budget for this program is \$3.7 million General Fund, \$0.3 million Lottery Funds, and \$4.4 million Other Funds and includes 18 positions. The budget represents a 49.6 percent decrease from the 2023-25 LAB, due to the phase-out of one-time expenditures related to firefighter apprenticeships and Future Ready Oregon.



## Oregon Medical Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	15,055,077	19,272,417	20,668,969
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$15,055,077	\$19,272,417	\$20,668,969
Positions	42	42	43
Full-time Equivalent	42.00	42.00	42.50

### OVERVIEW

The Oregon Medical Board was established in 1889, and its mission is to protect the health, safety, and well-being of Oregon's citizens by regulating the practice of medicine in a manner promoting quality care. The Board is responsible for the licensure and regulation of 21,772 Medical Doctors and Doctor of Osteopathic Medicine, 237 Podiatric Physicians, 3093 Physician Associates, and 1,509 Licensed Acupuncturists. The Governor appoints the 14-member board, which includes six Medical Doctors, two Doctors of Osteopathy, one Doctor of Podiatry, two Physician's Associates and three public members not employed in the medical field. The Board sets requirements for licensure, establishes board policies, reviews investigative cases, and takes disciplinary action where appropriate.

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon Medical Board is \$20.7 million total funds. This is a 7.3 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes 43 positions, which represents the addition of one position, an Associate Medical Director. The budget adds funding for the new position, increasing costs to administer the Health Professionals' Services Program, additional criminal background checks, and vendor fees.

### REVENUE SUMMARY

The Oregon Medical Board is solely funded by Other Funds revenue. The Board receives approximately 97 percent of its revenue from fees for licensure and registration. Approximately three percent of the Board's revenue is derived from sales of lists, directories, or labels; from fees for license verification; and from fines or forfeitures imposed as disciplinary measures. The Governor's budget supports fee increases on all professions to generate revenue to fund operational expenses and includes a \$25 surcharge to recover expenses related to the Health Professionals' Services Program.

## Oregon State Board of Nursing

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	21,881,048	25,956,362	30,349,084
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$21,881,048	\$25,956,362	\$30,349,084
Positions	56	61	62
Full-time Equivalent	54.98	59.78	61.90

### OVERVIEW

The Oregon State Board of Nursing (OSBN) was established in 1911, with a mission to safeguard the public's health and wellbeing by providing guidance for, and regulation of, entry into the nursing profession, nursing education, and continuing safe practice. The Board sets standards for the nursing practice, guidelines for education programs, and minimum competency levels for entry into the professions it regulates.

The nine board members are appointed by the Governor and include two public members, four Registered Nurses (RN), one Licensed Practical Nurse, one Nurse Practitioner (to represent all advanced practice nursing types), and one Certified Nursing Assistant. The four RN members represent various areas of the nursing practice: one nurse educator, one nurse administrator, and two direct-care and non-supervisory nurses.

### GOVERNOR'S BUDGET

The Governor's budget for OSBN is \$30.3 million total funds. This is a 17.0 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget includes 62 positions, an increase of one position from the 2023-25 LAB. The Governor's budget maintains operational expenses and permanently adds two investigator positions, reclassifies four positions, eliminates a fiscal analyst, and increases expenditures for pass through money going to the Oregon Nursing Advancement Fund and for vendor testing fees.

### REVENUE SUMMARY

The Oregon State Board of Nursing is supported by Other Funds revenue, primarily generated from examination, licensing, and renewal application fees charged to Registered Nurses, Licensed Practical Nurses, Nurse Practitioners, Certified Registered Nurse Anesthetists, Clinical Nurse Specialists, Certified

Nurse Assistants, and Certified Medication Aides. The budget includes a fee increase of \$35 on Licensed Practical Nurses and \$100 on all other licenses. The last fee increase took place in 2009, and this increase will keep license costs in the regional range. The Board also receives nine percent matching federal revenue, through the Department of Human Services, for regulating the nursing assistants' program in Oregon in compliance with the Federal Omnibus Reconciliation Act of 1987.

## Oregon Board of Pharmacy

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	9,086,439	11,391,000	14,210,412
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$9,086,439	\$11,391,000	\$14,210,412
Positions	22	24	24
Full-time Equivalent	22.00	23.63	24.00

### OVERVIEW

The Board of Pharmacy (OBOP) was established in 1891, with a mission to promote and protect public health, safety, and welfare by ensuring high standards in the practice of pharmacy and through effective regulation of the manufacture and distribution of pharmaceutical drugs. The Board licenses and disciplines its professionals, as well as regulates drug outlets and the distribution of drugs. The nine-member board includes five licensed practicing pharmacists, two licensed pharmacy technicians, and two public members. OBOP licenses and regulates county health clinics, manufacturers, wholesalers, pharmacies, pharmacists, pharmacist interns and technicians, controlled substances, student health centers, and hospital drug rooms, in addition to a variety of other drug related occupations and facilities.

The Board protects Oregon consumers by regulating the practice of pharmacy and the commerce of drugs from the manufacturer to the end user. As of July 2024, the Board registered 20,185 individual licensees and 10,220 statewide drug outlets.

### GOVERNOR'S BUDGET

The Governor's budget for the Board of Pharmacy is \$14.2 million total funds, which is a 24.8 percent increase from the 2023-25 Legislatively Approved Budget. The budget adds supports an upgrade to the agency's licensing system, accounts for increasing costs to administer the Health Professionals' Services Program and reclasses a pair of positions.

### REVENUE SUMMARY

The Board of Pharmacy is supported by Other Funds revenue primarily generated from examination, licensing, and renewal application fees charged to pharmacists, pharmacy technicians, pharmacy interns, and various types of drug outlets. The Board also receives revenues from miscellaneous charges including delinquent license fees, charges for printing and mailing laws and rules, civil penalties, re-inspection fees, and interest income. The budget includes a fee increase on all license and registration fees. The agency has not increased fees in over a decade, and this increase will keep fees in the same range as neighboring states.

## Public Utility Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	51,343,720	65,505,686	73,594,274
Federal Funds	964,634	1,292,424	1,510,497
Other Funds (Nonlimited)	53,205,771	54,829,960	54,834,396
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$105,514,125	\$121,628,070	\$129,939,167
Positions	138	142	146
Full-time Equivalent	134.75	141.00	145.50

### OVERVIEW

The Public Utility Commission (PUC) ensures Oregon utility consumers have access to safe, reliable, and high quality utility services at just and reasonable rates through detailed analysis and independent decision-making conducted in an open and fair process. PUC regulates customer rates and services of the state's investor-owned electric, natural gas and telephone utilities, as well as certain water companies, allowing regulated companies an opportunity to earn an adequate return on their investment. PUC does not regulate people's utility districts, cooperatives, or municipal owned utilities except in matters of safety. Additionally, the agency has no authority to regulate the rates or services of cellular, satellite, broadband service, or cable TV providers. The three-member commission is appointed by the Governor and subject to Senate confirmation.

The Oregon Board of Maritime Pilots (OBMP) is an independent occupational licensing and regulatory agency for state maritime pilots, which is part of PUC for budget and administrative purposes. OBMP protects public safety and the environment and serves Oregon's economy by ensuring only those qualified are licensed to pilot vessels.

### GOVERNOR'S BUDGET

The Governor's budget is \$129.9 million total funds. This is a 6.8 percent increase from the 2023-25 Legislatively Approved Budget and funds 146 positions. The budget includes funding for staff to meet a growing scope of work, such as utility wildfire mitigation. This includes funding to establish five positions, an increase in professional services funding to help address new responsibilities relating to clean energy and electrification and adding a communications position. In addition, it includes funding to finish the implementation of PUC's Activity Docketing System and pay for its maintenance as well as plan and implement a new Residential Services Protection Fund database.

## **REVENUE SUMMARY**

The Commission is funded primarily by Other Funds from utility fees, the Residential Service Protection Fund, the Oregon Universal Service Fund, and the Public Purpose Charge. The Commission also receives Federal Funds from the United States Department of Transportation for the Natural Gas Pipeline Safety Program. PUC's budget supports a legislative concept that would increase the utility fee cap from 0.45 percent to 0.55 percent however the Commission does not plan to raise fees in 2025-27. The last increase to the fee cap was in 2019.

The Oregon Board of Maritime Pilots is funded by Other Funds from license fees paid by pilots, operations fees from vessels using licensee services, reimbursements from rate hearings and miscellaneous receipts.

## **AGENCY PROGRAMS**

### **Utility Regulation**

The Utility Regulation Program is the technical and analytical arm of the Commission. It consists of professional staff to analyze all utility filings, help build a factual record in contested case proceedings, perform analysis and recommend policy options, inspect utility facilities, as well as other activities needed for the Commission to carry out its mission and serve ratepayers. Its independent and comprehensive oversight of regulated utilities helps ensure Oregonians have access to safe, reliable, and reasonably priced utility services. The Utility Regulation Program serves approximately 3.3 million utility customers.

### **Residential Service Protection**

The Residential Service Protection Fund consists of five programs to ensure accessible and affordable basic phone service for all Oregonians. These programs are the Oregon Telephone Assistance Program, the Telecommunication Devices Access Program, the Oregon Telecommunication Relay Service, Emergency Medical Certificates, and the Communications Facilitator.

### **Administration**

The Administration section serves the Commission by providing accounting and financial reporting functions, grant administration, budget assistance, information systems and technology support, human resource management, and general administrative support.

### **Board of Maritime Pilots**

OBMP is an independent occupational licensing and regulatory agency for state maritime pilots. The Board's mission is to protect public health, safety, and welfare by ensuring only the best-qualified persons are licensed to pilot vessels in Oregon. The Board is a part of PUC for budget and administrative purposes, but it retains authority for all policy decisions regarding the regulation of pilots. The nine-member Board is appointed by the Governor and is comprised of three pilot-members, three industry members (including one member from the ports), and three public members. Only a public member may serve as chair. The Board is supported by a staff of two: one Executive Director and one Administrator.

## Oregon Real Estate Agency

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	9,914,221	14,691,991	15,739,193
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$9,914,221	\$14,691,991	\$15,739,193
Positions	31	34	32
Full-time Equivalent	30.50	34.00	32.00

### OVERVIEW

The mission of the Oregon Real Estate Agency (OREA) is to provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market. The agency is responsible for the licensing, continuing education, and the enforcement of Oregon's real estate laws applicable to brokers, property managers, and real estate firms. The agency also provides oversight for escrow agents, campground contract brokers, subdivisions, time shares, condominium developments, and residential property wholesalers. OREA approves courses and develops curriculum requirements for its licensees, administers real estate examinations, audits licensees, and investigates complaints made concerning its licensees and regulated activities.

### GOVERNOR'S BUDGET

The Governor's budget is \$15.7 million total funds. This is a 7.1 percent increase from the 2023-25 Legislatively Approved Budget (LAB) and funds 32 positions, which is a two position reduction from the 2023-25 LAB. The budget makes reductions to positions and assorted Services and Supplies, such as professional services and travel, so OREA can maintain a healthy operating balance. It also supports the reclassification of two positions.

### REVENUE SUMMARY

The Agency's revenues are exclusively Other Funds and principally derived from annual licensing and business registration fees. License application, renewal, and exam fees comprise upwards of 97 percent of all revenue collected by the Agency. The remaining revenue is derived from charges for services, fines, and forfeitures—a portion of which is transferred to the General Fund. The budget establishes a fee for residential property wholesalers to comply with House Bill 4058 (2024). This new license is expected to have a minimal impact on agency revenues.



## Oregon State Board of Licensed Social Workers

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$625,000
Lottery Funds	0	0	0
Other Funds	2,261,952	2,819,682	3,118,162
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$2,261,952	\$2,819,682	\$3,743,162
Positions	7	10	9
Full-time Equivalent	7.00	8.50	8.50

### OVERVIEW

The Oregon State Board of Licensed Social Workers' mission is to protect the citizens of Oregon by setting a strong standard of practice and ethics through the regulation of Social Workers. The Board sets policy, writes and adopts rules, renews licenses, and validates continuing education requirements. The Governor appoints the board, which includes three Licensed Clinical Social Workers, one member representing one of the other license categories, and three public members. The licensure program covers two clinical licenses (Clinical Social Work Associate and Licensed Clinical Social Worker) and two non-clinical license types (Licensed Master Social Worker and Registered Baccalaureate Social Worker).

### GOVERNOR'S BUDGET

The Governor's budget for the Oregon State Board of Licensed Social Workers is \$3.7 million total funds, a 32.8 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The budget provides funding for operational expenses, extends one limited duration office specialist, and adds a one-time General Fund investment to plan and implement a new licensing system. The Board plays a significant role in Oregon's ability to recruit and retain highly qualified diverse Social Workers and has a profound impact on access to care for Oregonians in all care settings and new care models. The Board is focused on improving their licensure and investigation timelines, both of which are expected to be positively impacted by the new licensing system.

### REVENUE SUMMARY

The Board is funded exclusively with Other Funds, primarily from fees paid for professional licenses. The budget supports a 20 percent fee increases to support ongoing operations. Fees have not increased fees since 2017.

## State Board of Tax Practitioners

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	1,194,525	1,162,920	1,346,988
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,194,525	\$1,162,920	\$1,346,988
Positions	2	2	2
Full-time Equivalent	2.00	2.00	2.00

### OVERVIEW

The Board of Tax Practitioners protects consumers by ensuring Oregon tax practitioners are competent and ethical in their professional activities. The Board coordinates education for practitioners and administers competency exams to new applicants to ensure practitioners have a solid comprehension of the state and federal tax code before being issued a license. The Board also monitors continuing education requirements by reviewing and approving courses. The Board accomplishes its mission through licensing and oversight activities. The Governor appoints the members of the Board, which includes six members licensed as Tax Consultants and one member of the public who is unaffiliated with the profession.

The Board is empowered to investigate complaints alleging fraudulent, deceptive or dishonest tax preparation practices by licensees and unlicensed persons and to take disciplinary action when appropriate. Compliance efforts also include education, mediation, and legal proceedings.

### GOVERNOR'S BUDGET

The Governor's budget is approximately \$1.3 million total funds, a 15.8 percent increase from the 2023-25 Legislatively Approved Budget and funds two positions. The budget enables the Board to continue current operations with an increase in expenditures to account for increase in testing service costs and to move the agency back into a physical office part-time.

The Board anticipates minimal growth in licensure for the upcoming biennium. The agency is adding a new license type, Certified Tax Aides, which is expected to lower barriers for entry into the tax preparation industry.

**REVENUE SUMMARY**

The Board of Tax Practitioners is funded through Other Funds, primarily from annual licensing, business registration, and exam application fees. The agency will get a small increase in revenue from the newly established Certified Tax Aide license. The remaining revenue is from civil penalties, fines and forfeitures, and interest.

# ADMINISTRATION

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Program Area and Agency Information



## ADMINISTRATION AGENCIES

### Administration Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$966,490,211	\$604,848,500	\$401,279,629
Lottery Funds	45,060,551	85,005,370	109,706,161
Other Funds	2,438,109,852	2,571,607,270	2,567,412,282
Federal Funds	3,028,790,663	191,878,168	175,618,867
Other Funds (Nonlimited)	12,973,275,350	13,743,948,140	15,465,972,526
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$19,451,726,627	\$17,197,287,448	\$18,719,989,465
Positions	3,527	3,648	3,636
Full-time Equivalent	3,419.81	3,514.32	3,559.06

#### OVERVIEW

The Administration Program Area includes statewide elected officials, commissions, and state agencies. The Program Area provides policy direction and core services throughout state government, including:

- Guiding state operations and ensuring accountability of public officials and state agencies.
- Providing central support services for state agencies.
- Managing elections and tax collections activities.
- Managing retirement benefits for public employees.
- Regulating the sale and distribution of alcoholic beverages and marijuana.
- Working to increase diversity and eliminate barriers to equity in governance.
- Managing the state's financial investments.

#### GOVERNOR'S BUDGET AND KEY INVESTMENTS

The 2025-27 Governor's budget for the Administration Program Area is \$18,720.0 million total funds, which represents an 8.9 percent increase from the 2023-25 Legislatively Approved Budget.

The following are key highlights in how the Governor's budget invests in administrative improvements and efficiencies:

- **Customer Service.** The Governor's budget supports increasing capacity to expand the electronic availability of government documents managed by the State Library of Oregon and provides additional capacity in the Department of Administrative Services to expand central service delivery

improving state government's ability to deliver core and critical services to Oregonians. For the Employment Relations Board, the budget supports the addition of a mediator position to expand conciliatory service capacity in support of public employees and employers as well as continued support for the Oregon Advocacy Commission Office to complete the work with the Affinity Group Task Forces in finalizing recommendations to address communities' needs and health inequities.

- **Information Technology-Cyber Security**. Protecting Oregonians privacy. The Governor's budget includes additional cyber security investments to detect, prevent, and manage security risks. The budget also increases staffing capacity at the Public Employees Retirement System to support information technology transformations and continue efforts to modernize the core retirement benefit system. The Governor's budget provides funding for the Oregon Liquor and Cannabis Commission to implement a new distilled spirits warehouse management system.
- **Guiding State and Public Regulations**. Through the Oregon Racing Commission, the budget includes revenue adjustments to ensure sufficient resources exist to strengthen the Commission's ability to implement and propose additional safety measures for the protection of horses and jockeys at race meets. Investments were made in the Department of Administrative Services to coordinate data governance and infrastructure in support of the Governor's Housing and Homelessness initiative. Additionally, the budget increases staffing capacity at the Oregon Liquor and Cannabis Commission to regulate industrial hemp operations pursuant to House Bill 4121 (2024).

## Department of Administrative Services

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$662,644,061	\$302,008,992	\$62,855,810
Lottery Funds	26,603,095	51,554,972	59,656,865
Other Funds	1,355,191,105	1,551,204,192	1,511,929,172
Federal Funds	3,016,134,503	181,426,435	165,284,328
Other Funds (Nonlimited)	190,527,559	217,927,623	218,313,544
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$5,251,100,323	\$2,304,122,214	\$2,018,039,719
Positions	999	1,001	984
Full-time Equivalent	983.76	989.28	982.15

### OVERVIEW

The Department of Administrative Services (DAS) is the central administrative agency of Oregon state government and works to effectively implement the policy and financial decisions made by the Governor and the Oregon Legislature. The Department is responsible to set and monitor high standards of accountability to ensure state government uses available funds effectively. DAS leads state agencies through collaboration in service of Oregonians. Supporting state agencies by providing a strong and stable management infrastructure through management oversight and technical and administrative support to state government. The Department is the state's enterprise provider of accounting, finance, budgeting, purchasing, human resources, information technology, facilities, fleet, and publishing and distribution services. DAS also provides leadership and policy direction statewide for agencies who provide their own services in these domains.

The DAS budget houses the Economic Development Fund, Education Stability Fund, Parks and Natural Resources Fund, and the Oregon Education Fund. Lottery proceeds flow through these funds to state agencies. In addition, DAS manages the collection and distribution of tobacco settlement funds and oversees outstanding appropriation and pension bonds. Additionally, DAS distributes funds to mass transit districts. State agencies pay these funds instead of payroll or transit taxes under ORS 291.407. DAS also distributes a variety of funds, including Federal Funds, to Oregon cities and counties. Other distributions to cities and counties include portions of Oregon Liquor and Cannabis Commission revenues, cigarette taxes, amusement device taxes, and video poker receipts.

### GOVERNOR'S BUDGET

The Governor's budget for DAS is \$2,018.0 million total funds. This is a 12.4 percent decrease from the 2023-25 Legislatively Approved Budget (LAB). The decrease is attributable to the phase-out of one-time federal American Rescue Plan Act (ARPA) funding, one-time General Fund grants distributed through



DAS in the 2023-25 biennium, and targeted reductions throughout the Department. For the 2025-27 biennium, \$163.9 million Federal Funds is carried-forward for final ARPA distributions.

DAS plays an important role in supporting state employees and ensuring the state is making progress in improving customer service for Oregonians. This means DAS helps ensure state government is being more efficient, more effective, and is helping create systems that will empower the state's 51,000 public servants who are dedicated to serving Oregonians. Additionally, as the central agency in state government, DAS is responsible for helping ensure the underlying policies, processes, and procedures are evolving to address systemic and structural inequities and that state government is fulfilling its commitment to diversity, equity, and inclusion.

The Governor's budget includes investments for DAS to provide better support to agencies by increasing resources available for financial services, human resources, and information technology.

The Department will distribute \$119.7 million Other Funds from the Tobacco Settlement Funds Account. The bulk of those funds will be transferred to the Oregon Health Authority to help fund the Oregon Health Plan. The budget also includes debt service payments on outstanding Article XI-O pension obligation bonds. Funding for the payments is provided by state agencies. Lastly, the budget includes Lottery Funds distributions to county fairs from the County Fair Account.

## **REVENUE SUMMARY**

DAS is financed primarily through two sources of Other Funds: assessments on state agencies and fees for services charged to state agencies for program usage. Agency assessments rely on several variables for statewide services that cannot reasonably be attributed to individual cost items. The source of Other Funds received by DAS from assessed agencies, is a combination of General Fund, Other Funds, and Federal Funds.

General Fund supports a portion of corrections population forecasting activities in the Office of Economic Analysis, the Court Appointed Special Advocate Program and the Tribal Task Force. In addition to revenues used to fund DAS operations, the Department serves as a pass-through for certain statewide revenues. DAS receives the quarterly transfer from the Oregon Lottery and makes constitutional and legislative distributions to state agencies and local governments. DAS also receives and transfers a variety of other payments on behalf of other entities. Finally, DAS tracks and distributes tobacco settlement money received from the Tobacco Master Settlement Agreement.

## **AGENCY PROGRAMS**

### **Office of the Chief Operating Officer**

The Office of the Chief Operating Officer (COO) leads DAS and provides statewide operations and policy leadership. The COO coordinates work teams and initiatives across jurisdictional and agency boundaries with a goal of achieving transformative, long-term change, and developing an agile organization that can meet current and future challenges. The COO plays a crucial role in developing statewide solutions and providing policy leadership. The Office of Economic Analysis and the Court Appointed Special Advocate (CASA) Program also reside in this office.

The Governor's budget for this program is \$13.5 million total funds and 11 positions. This is a 27.5 percent decrease from the 2023-25 LAB. This decrease is mainly attributable to an agency-wide reorganization, which resulted in the movement of positions from COO to other DAS divisions. The budget also includes additional funding for CASA for a total distribution of \$6.3 million, as well as funding for COO to provide support to the Tribal Task Force.

### **DAS Information Technology**

DAS Information Technology provides IT support for DAS and client agencies. The program provides leadership and strategic direction within DAS, including project planning and execution services on projects. Services provided are comprised of IT service engineering solutions, purchasing, integration and development teams, and an application delivery team that provides services to meet the needs of business partners. The Governor's budget for this program is \$22.1 million Other Funds and 50 positions. This is a 7.4 percent increase from the 2023-25 LAB. The budget includes additional positions to provide support to new client agencies.

### **Strategic Initiatives and Enterprise Accountability**

The Strategic Initiatives and Enterprise Accountability Office (SIEA) is the chief strategy office supporting statewide efforts to improve operations and accountability in state government. During the 2023-25 biennium, this office was included as part of the COO but has been moved to a separate division for the 2025-27 biennium. The office directs internal and external communications, coordinates legislative activities, and leads enterprise accountability and cultural change. The Governor's budget for this program is \$7.4 million Other Funds and includes 15 positions.

### **Chief Financial Office**

The Chief Financial Office (CFO) provides direct oversight of agency fiscal performance and is an integral part of assisting the Governor and the Chief Operating Officer in managing state government. CFO oversees the state's biennial budget process, the preparation of the state's annual financial statements, and the overall accounting policies of the state and works with the State Treasurer to administer the state's debt financing and capital planning. Through the work of these sections, CFO provides oversight and guidance to state agencies, helping to ensure agency compliance with the law and the Governor's policy goals. Additionally, CFO manages the contract administration and federal reporting requirements under ARPA for the State of Oregon.

The Governor's budget for this program is \$35.8 million total funds and includes 83 positions. This is a 59.7 percent increase from the 2023-25 LAB. The increase is attributable to an agency-wide reorganization of positions. For CFO, this included moving accounting system operations and positions into the division with the creation of the State Controller's Office in 2024, to better align statewide accounting policy and administration. The budget also includes funding to purchase software to maintain federal compliance for the Annual Comprehensive Financial Report and the continuation of Federal Funds for the COVID Fiscal Relief Team.

## **Enterprise Information Services**

Enterprise Information Services (EIS) provides enterprise policy leadership, planning, and oversight to state government in enterprise information resource management. EIS sets statewide IT policy and implements the state's IT governance framework for new projects by providing project planning, quality assurance, vendor management, and oversight through the Stage Gate process. Working with various state agencies, the Chief Information Officer reviews and assesses information technology initiatives that have the potential for generating significant program related operating efficiencies or cost reductions on a statewide basis. EIS is responsible for providing information security services for the enterprise.

The Governor's budget for EIS is \$185.1 million total funds and 141 positions. This is a 3.2 percent increase from the 2023-25 LAB. The Governor's budget includes funding to enhance the existing geospatial data program, investments in network security through equipment replacement, and provides resources for cyber security to detect, prevent, and manage security risks. The budget also transfers the Statewide Interoperability program from EIS to the Oregon Department of Emergency Management. Finally, investments were made to coordinate data governance and infrastructure to provide better information in support of the Governor's Housing and Homelessness initiatives.

## **Enterprise Information Services – Data Center Services**

EIS Data Center Services (DCS) is the leading supplier and expert in managed computing technology for Oregon state government. The services offer flexibility and choices aimed at meeting the varying needs and sizes of government customers. DCS focuses on maximizing the value of state technology investments so the business of government runs efficiently, securely, and reliably. The Governor's budget for this program is \$169.0 million Other Funds and 145 positions. This is a 1.0 percent increase from the 2023-25 LAB. The budget continues funding for lifecycle replacement at the State Data Center.

## **Chief Human Resource Office**

The Chief Human Resources Office (CHRO) provides enterprise-wide policy leadership to maintain a reliable and qualified workforce for the state of Oregon. CHRO's centralized policy functions enable Executive Branch agencies to share resources and expertise to manage human resources (HR) in a cost-effective way. CHRO also provides HR management services to smaller agencies, boards and commissions that do not have the staff to perform these functions.

The Governor's budget for this program is \$28.9 million Other Funds and 66 positions. This is a 38.7 percent decrease from the 2023-25 LAB. The decrease is primarily attributable to the movement of operations and positions from CHRO to the newly created Workday Oregon Division. Funding for a new position to support client agencies was also added.

## **Workday Oregon**

Workday Oregon is a new DAS division – established by consolidating all Workday resources, staff, and expenses by transferring them out of various DAS divisions into one. This division manages operational resources, service levels and response times for employees, agencies and external customers using the

Workday system. The Workday Oregon team is crucial for providing technical support and is responsible to configure and maintain the Workday system, ensuring smooth operation of business processes for HR management, recruiting, learning, benefits, compensation, payroll, absence, and time tracking across state government. The Governor's budget for this program is \$28.2 million Other Funds and 29 positions.

### **Enterprise Asset Management**

Enterprise Asset Management (EAM) is comprised of the Facilities Services program, the Statewide Fleet Administration and Parking Services program, and the Oregon Surplus Property program. The core focus of these programs is property management, both real and personal, for the benefit and optimal use of space, travel, and operational needs. EAM is responsible for cost-effective, quality, and efficient asset life-cycle management, acquisition, operation, maintenance, and disposal. These are value-added services that allow state agencies and some local governments to focus on their primary missions.

EAM operates and maintains DAS-owned buildings and supports other state-owned buildings covering over three million square feet throughout Oregon. These facilities include general government offices, health labs, computer data centers, printing operations, and the Governor's Executive Residence. The Program also maintains a portfolio of private sector leases of office, storage, and special use facilities.

The Governor's budget for this Program is \$132.7 million total funds and 205 positions. This is a 6.6 percent increase from the 2023-25 LAB. This increase is attributable to a one-time General Fund investment in electric vehicle charging infrastructure projects.

### **Enterprise Goods and Services**

Enterprise Goods and Services (EGS) provides services in publishing and distribution, risk management, procurement services, and shared financial services. The Division focuses on providing assistance through responsive customer service, operational efficiency, flexible delivery, and continuous performance improvement.

The Governor's budget for this program is \$334.6 million total funds and 231 positions. This is a 0.6 percent increase from the 2023-25 LAB. The change is attributable to phasing out one-time investments from the 2023-25 biennium, as well as funding for positions to support new client agencies in Shared Financial Services and General Fund for the payment of legal costs and payouts related to the Wrongful Convictions program established in Senate Bill 1584 (2022). The budget also includes increased revenue to provide needed resources for the Risk Fund to replenish the balance and pay estimated claims during the 2025-27 biennium.

### **Business Services**

Business Services provides budget, business continuity, performance management, and data analysis services for DAS. This Program is also responsible for DAS' records management, information security, and administrative rules programs. It coordinates rate development; calculates rates, fees, and assessments; performs financial analysis for DAS divisions; develops the statewide price list of goods and services; and prepares and monitors the DAS biennial budget. The Governor's budget for this program is \$33.2 million Other Funds and eight positions. This is a 28.8 percent increase from the 2023-

25 LAB. The increase is largely due to the Division paying for all government assessments and most Attorney General charges for the agency.

### **Capital Improvements**

The Capital Improvements program is responsible for remodel and renovation projects costing less than \$1.0 million for DAS owned property. The purpose of the program is to maintain health and safety standards both inside and outside of the buildings; keep buildings in compliance with new building code and ordinance requirements; maintain Capitol Mall buildings and grounds; adjust or modify existing mechanical and electrical programs to minimize energy consumption; upgrade building grounds; evaluate and conserve maximum efficiency and use of state-owned buildings; and adapt buildings to required occupancy changes. The Governor's budget for this program is \$5.9 million Other Funds. This is a 19.8 percent increase from the 2023-25 LAB due to an investment to provide funding for specific remodeling and renovation projects in DAS-owned buildings.

### **Capital Construction**

The DAS Capital Construction program manages the acquisition or construction of any structure or group of structures, all land acquisitions, assessments, improvements or additions to an existing structure, which is to be completed within a six-year period with an aggregated cost of \$1.0 million or more, as well as planning for proposed future Capital Construction projects.

The Governor's budget provides funding to perform various deferred maintenance and automation projects in DAS-owned buildings, as well as funding to renovate and perform seismic upgrades to the Labor and Industries building. The Governor's budget for this program is \$170.5 million Other Funds; no positions are budgeted in this Division.

### **Miscellaneous Distribution**

In accordance with legislative directives, DAS receives and distributes certain federal, lottery, and state moneys to state agencies and local governments. The Governor's budget for this program is \$24.7 million Other Funds Nonlimited.

### **DAS Debt Services**

This program includes debt service payments specific to DAS. Payments are for State Energy Loan Programs and Article XI-Q Bonds that pay for the construction and improvement of state-owned buildings. The Governor's budget for this program is \$39.8 million Other Funds.

### **Bonds**

The Bonds program includes payments of specific amounts as directed by law. Payments are made on Article XI-Q Bonds. The Governor's budget for this program is \$544.7 million Other Funds.

### **Special Governmental Payments**

This program includes payments of specific amounts from the General Fund, and other sources, as directed by law. Payments also include debt service disbursements for bonds as well as \$5.7 million Lottery Funds to support county fair programs across the state. The Governor's budget for this program includes \$13.0 million General Fund, \$59.7 million Lottery Funds, and \$5.2 million Other Funds.

## Oregon Advocacy Commissions Office

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$1,692,591	\$2,238,291	\$2,101,205
Lottery Funds	0	0	0
Other Funds	9,841	10,253	25,432
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,702,432	\$2,248,544	\$2,126,637
Positions	4	7	7
Full-time Equivalent	4.00	7.00	5.50

### OVERVIEW

The mission of the Oregon Advocacy Commissions Office is to promote equity, leadership, and public policy. The Office accomplishes their mission by providing administrative support to the Oregon Commissions on Asian and Pacific Islander Affairs, Black Affairs, Hispanic Affairs, and the Oregon Commission for Women. The four Commissions function independently, and statute charges the Commissions with monitoring the impact of legislation and state programs on their respective constituencies and with working to establish economic, social, legal, and political equality in Oregon.

Each Commission is comprised of nine commissioners appointed by the Governor and two Legislators appointed by the Senate President and Speaker of the House and confirmed by the Senate. There are 11 members in each commission for a combined total of 44 commissioners. The Commissions meet individually quarterly and convene jointly annually to consider issues and actions of mutual interest, to include improved outcomes in employment, education, justice, health, civic engagement, housing, and environmental justice for Asian and Pacific Islander Oregonians, Black Oregonians, Hispanic Oregonians, and women in Oregon.

### GOVERNOR'S BUDGET

The Governor's budget is \$2.1 million total funds. This is a 5.4 percent decrease from the 2023-25 Legislatively Approved Budget. This budget funds seven positions, three of which are continued limited duration positions to complete the work related to House Bill 4052 from the 2022 Legislative Session and House Bill 2925 from the 2023 Legislative Session.

The Governor's budget investment will allow the office to continue working with the Affinity Group Task Forces to develop the recommendations assisting the Oregon Health Authority establish a mobile health

pilot program. The pilot program is expected to operate two cultural and linguistical specific units, to serve populations with histories of poor health or social outcomes.

## **REVENUE**

Core operations of the Oregon Advocacy Commissions Office are funded with General Fund. The Office and the four Commissions also benefit from donation funds. Donation funds received are dedicated by statute to the Commission to which the donation was made and must be expended in accordance with the conditions and purposes of the donation.



## Employment Relations Board

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$3,254,151	\$3,548,203	\$4,127,103
Lottery Funds	0	0	0
Other Funds	2,562,238	2,816,298	3,259,034
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$5,816,389	\$6,364,501	\$7,386,137
Positions	13	13	14
Full-time Equivalent	13.00	13.00	14.00

### OVERVIEW

The Employment Relations Board's (ERB) mission is to respond to requests for assistance and training in collective bargaining and labor/management relations, and to resolve disputes concerning employment relations for all of Oregon's public employers (and some smaller private-sector employers) covering approximately 250,000 employees. The agency provides several services to help public employers, their employees, and involved labor organizations resolve their disputes, including mediation, training, facilitation, contested case hearings, and representation matters. ERB administers four programs related to employer/employee relations:

- Conducts contested case hearings as the state's "labor-law court" for labor and management disputes within state and local government and school districts, issuing final orders in contested case adjudications of unfair labor practice complaints, representation matters, appeals from state personnel actions, declaratory rulings, and other related matters;
- Conducts statewide mediation and conciliation services to resolve collective bargaining disputes, contract grievances, and unfair labor practice complaints;
- Conducts contested case hearings on unfair labor practice complaints and maintains a list of qualified labor arbitrators; and
- Administers laws establishing collective bargaining rights and procedures for private sector employees not covered by federal law.

### GOVERNOR'S BUDGET

The Governor's budget for the Employment Relations Board is \$7.4 million total funds, a 16.1 percent increase from the 2023-25 Legislatively Approved Budget. The budget supports 14 positions, which includes the addition of one mediator position to address increasing workload demands for training and dispute resolution assistance.

## **REVENUE SUMMARY**

ERB is funded by a combination of General Fund and Other Funds. General Fund makes up approximately 54 percent of the revenue, which primarily funds the agency's work on behalf of local governments. ERB's state government-related activities are supported by an Other Funds assessment on state employees projected for 2025-27 at \$3.00 per employee per month.

## **AGENCY PROGRAMS**

### **Administration**

The Administration Division is responsible for managing personnel, payroll, equipment, and information technology for the agency. The Administration Division contains the three-member Employment Relations Board, which issues final agency orders in declaratory rulings, contested case adjudications of unfair labor practice complaints, representation matters, and appeals from state personnel actions. The Board administers state labor laws covering private sector employees exempt from the National Labor Relations Act. The Board chair is the agency administrator.

The Governor's budget for this Program is \$3.4 million total funds, \$1.9 million General Fund and \$1.5 million Other Funds. This program has five positions.

### **Mediation**

The Mediation Office consists of the agency's Conciliation Services. Staff provide mediation and conciliation services to help parties resolve collective bargaining disputes, contract grievances, unfair labor practices, and State Personnel Relations Law appeals. Staff also provide training in interest-based bargaining, labor/management problem-solving and other similar programs designed for the specific needs of the parties. This office also maintains a list of qualified labor arbitrators who are available to assist parties in a labor dispute.

The Governor's budget for this Program is \$2.0 million total funds, \$1.1 million General Fund, and \$0.9 million Other Funds. This program has five positions.

### **Hearings**

Administrative law judges (ALJs) conduct contested case hearings on unfair labor practice complaints filed by state and local public employers, public employees, and labor organizations. The ALJs also conduct contested case hearings on state personnel appeals and representation matters referred by the election coordinator. ALJs issue recommended orders, which precede final orders of the Board. Some cases are referred to ERB's Conciliation Service Office for mediation. The election coordinator processes all petitions involving union representation and composition of the bargaining unit, conducts elections when necessary, and certifies election results. ALJs resolve contested petitions forwarded to them by the election coordinator.

The Governor's budget for this Program is \$2.0 million total funds, \$1.1 million General Fund, and \$0.9 million Other Funds. This program has four positions.

## Oregon Government Ethics Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	3,023,863	5,698,983	6,816,378
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$3,023,863	\$5,698,983	\$6,816,378
Positions	9	15	15
Full-time Equivalent	9.00	13.63	15.00

### OVERVIEW

The mission of the Oregon Government Ethics Commission is to administer and enforce Oregon's government ethics laws impartially and efficiently for the benefit of Oregonians. The Commission is empowered to investigate claims involving the use of public office for financial gain, failure to declare conflicts of interest, violation of rules governing executive session, and receipt of gifts over allowable limits. Oregon's ethics laws often seek to provide increased transparency and voter accountability.

The Commission is responsible for:

- Providing education and training on Oregon ethics laws and Executive Session provisions of public meetings to public officials, public bodies and lobbyists.
- Conducting investigations into alleged violations of Oregon ethics and lobbying laws, and Executive Session provisions of public meeting laws.
- Interpreting and applying Oregon ethics laws within adjudicatory proceedings.
- Managing mandatory filing, such as Statements of Economic Interests.
- Providing engagement and outreach activities to new and existing public officials.

### GOVERNOR'S BUDGET

The Governor's budget is \$6.8 million total funds. This is a 19.6 percent increase from the 2023-25 Legislatively Approved Budget. The budget includes investments to expand training opportunities and material resources for all public official and lobbyist entities within the Commissions' jurisdiction as well as enhance and bridge both the electronic filing and case management systems. Combined, these

investments will improve communications and efficiencies for both the Commission's support staff and the public.

There are over 200,000 public officials under the Commission's jurisdiction, the vast majority serving at the local government level. Increasing reliance on staff advice, increased complaints, and educating public officials on Executive Session provisions of public meetings have contributed to the Commission's workload. In recent years, the Commission has shifted from a focus on investigations to education. This includes in-person, online, and social media outlet trainings on Oregon government ethics laws and public meeting provisions conducted for state agencies, school board members, local government bodies, and special districts. Since there are always new public officials coming into office, education is an ongoing need.

#### **REVENUE SUMMARY**

The Commission's revenue is derived from an Other Funds assessment model. Operating costs are equally shared between state agencies and local government entities, comprising approximately 1,760 jurisdictions. State agencies are assessed based on the number of full-time equivalent positions. Consequently, a portion of the assessment revenue originates as General Fund. The agency sends out assessment bills to state agencies and local government entities annually. The Commission also imposes civil penalties, in addition to collecting fines and forfeitures. These revenues are transferred to the General Fund and are not used to support agency operations.

## Office of the Governor

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$18,797,215	\$23,569,345	\$32,453,079
Lottery Funds	3,366,264	4,923,010	5,137,817
Other Funds	3,019,693	4,408,651	5,271,167
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$25,183,172	\$32,901,006	\$42,862,063
Positions	66	67	68
Full-time Equivalent	65.05	67.00	67.75

### OVERVIEW

The Governor is vested with the executive power of the state and charged with faithful execution of the laws. She provides Executive Branch agencies with leadership, planning, and direction – ensuring responsiveness to the needs of Oregonians, efficient and effective management, and statutory compliance. Her appointment power extends to most agency heads within the Executive Branch and includes the membership of nearly 300 policymaking, regulatory and advisory boards and commissions. The Governor reviews all legislative enactments and proposes a statewide budget to the Legislative Assembly. She is supported by staff that make up the Office of the Governor.

The Governor has established a team of directors and advisors who engage with state agency leaders and staff, local governments, legislators, stakeholders, and community partners to develop and evaluate policy proposals, ensure efficient and effective delivery of state services, and provide recommendations and advice to the Governor in specific policy areas.

The Office also includes constituent relations staff who are responsible for ensuring Oregonians receive assistance in resolving issues with state agencies and the office staffs the Arrest and Return program. Additionally, the budget supports the Racial Justice Council. The Council consists of representatives from diverse backgrounds across Oregon and provides principles and recommendations that center around racial justice. Given the significant foundational reform needed to address racial disparities, as well as coordination of recommendations and creation of action plans, the council relies on the staffing in the Office of the Governor for support.

### GOVERNOR'S BUDGET

The Governor's budget includes \$42.9 million total funds and supports 68 positions. The budget adds an Extradition Deputy Director position to address continued increase in workload in the Extradition

program and aligns position classifications with current staffing needs in supporting the work of the office.

**REVENUE SUMMARY**

The Office of the Governor relies on a combination of General Fund, Other Funds, and Lottery Funds. General Fund is the primary funding source for the Office. Lottery Funds are the funding source for the Regional Solutions program. Other Funds include revenue transfers from other agencies. The Diversity, Equity and Inclusion/Affirmative Action program is funded from a transfer from the Department of Administrative Services, Chief Human Resources Office assessment. The Economic and Business Equity program is funded from assessments on agencies and also receives funds from sponsoring conferences.

## Office of the Public Records Advocate

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	0	1,000,967	1,174,012
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$0	\$1,000,967	\$1,174,012
Positions	0	2	2
Full-time Equivalent	0.00	2.00	2.00

### OVERVIEW

The Office of the Public Records Advocate (OPRA) serves as an independent office to promote government transparency through educating and training public employees and members of the public on the requirements and best practices under Oregon public record laws. The agency provides assistance and dispute resolution services upon request to public record requestors and public bodies.

### GOVERNOR'S BUDGET

The Governor's budget for the Office of the Public Records Advocate is \$1.2 million total funds, which funds two positions. In the 2021-23 Legislatively Approved Budget, OPRA was housed within the Department of Administrative Services, and for 2023-25 OPRA became a stand-alone agency. The budget enables OPRA to continue existing levels of service in the 2025-27 biennium.

### REVENUE

As recommended in the Governor's budget, OPRA is funded from an assessment on state agencies. The source of Other Funds received from assessed agencies is a combination of General Fund, Lottery Funds, Other Funds, and Federal Funds.



## Oregon Liquor and Cannabis Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	450,504,425	391,997,885	410,945,173
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$450,504,425	\$391,997,885	\$410,945,173
Positions	384	384	393
Full-time Equivalent	380.16	379.28	388.75

### OVERVIEW

The Oregon Liquor and Cannabis Commission's (OLCC) mission is to support businesses, public safety, and community livability through education and the enforcement of liquor and marijuana laws. OLCC is responsible for regulating the sale and service of alcoholic beverages in Oregon. OLCC administers the state's Liquor Control Act and regulates the production, processing, and sale of recreational marijuana in Oregon through the Control, Regulation, and Taxation of Marijuana and Industrial Hemp Act. The Agency also regulates the production, processing, and sale of medical products sold to Oregon Medical Marijuana Program (OMMP) cardholders in OLCC licensed marijuana retail shops.

OLCC contracts with private agents to operate retail liquor stores, licenses private businesses, such as grocery stores, to sell packaged beer and wine, and licenses restaurants, bars, and taverns to sell alcohol by the glass. OLCC ensures only qualified people and businesses are licensed to sell and serve alcoholic beverages. Additionally, to control underage drinking and alcohol problems, the Commission conducts liquor law enforcement, outreach education, publicity, and communications.

In addition to regulating Oregon's liquor and cannabis industries, OLCC is also charged with overseeing Oregon's bottle bill.

### GOVERNOR'S BUDGET

The Governor's budget for OLCC is \$410.9 million total funds and 393 positions. This is a 4.8 percent increase from the 2023-25 Legislatively Approved Budget (LAB). The Governor's budget expands capacity to enforce recreational marijuana regulations and implement the industrial hemp regulation provisions reflected in House Bill 4121 (2024). The budget also includes the reauthorization of liquor revenue bonds, and authorization to issue new bonds, to complete the Agency's IT modernization efforts.

## REVENUE SUMMARY

### Alcohol Related Revenues

OLCC receives revenues from multiple sources - the three major contributors are the sale of distilled spirits, privilege taxes on malt beverages and wines, and licensing fees. After subtracting the cost of distilled spirits, freight, a reserve for encumbrances, and the Agency's operating expenditures, net proceeds from sales, taxes, fees, and fines are allocated as follows:

- Privilege taxes on beer and wine sales: Two cents per gallon of wine tax is distributed to the Oregon Wine Board; the balance is allocated 50 percent to fund Oregon Health Authority addiction and mental health programs, 28 percent to the General Fund, 10 percent to cities based on population, five percent to counties based on population, and seven percent to cities based on a revenue sharing distribution formula.
- Revenues from liquor sales, license fees, civil penalties and fines, and miscellaneous revenues: 56 percent to the General Fund, 20 percent to cities based on population, 10 percent to counties based on population, and 14 percent to cities based on a revenue sharing distribution formula.

### Marijuana Related Revenues

OLCC's Recreational Marijuana Program is funded by marijuana application and license/permit fees and fines. Revenues support the marijuana program as well as the program's proportional share of agency-wide management, support staff, and expenses. The marijuana tax program is administered through the Department of Revenue. OLCC's Medical Marijuana Regulation program (OMMP) receives a transfer of \$7.0 million from the Marijuana Administrative Fund (tax revenues) to the Marijuana Regulatory Account to fund the OMMP Medical Marijuana Tracking Program, now administered by OLCC.

## AGENCY PROGRAMS

### Distilled Spirits

The Distilled Spirits Program provides distilled spirits for sale by the bottle through liquor stores run by independent, contracted businesspeople (liquor agents), appointed by the liquor commissioners in a competitive process, which balances customer service, access, and revenue generation. The Program regulates legal and responsible sales through the liquor stores. In addition, distilled liquor is available for sale in distillery tasting room outlets. Distillery licensees distribute their products through the warehouse or make direct sales from their Distillery Retail Outlets. The Commission does not own the inventory located in Distillery Retail Outlets. The Program centrally purchases, warehouses, and distributes distilled spirits to Oregon's liquor stores and oversees the liquor agents. Through oversight of retail operations, the Program ensures responsible sales in the liquor stores.

The Governor's budget for the Distilled Spirits program is \$102.6 million Other Funds and 75 positions. The budget represents a 19.6 percent increase from the 2023-25 LAB, largely driven by funding to implement and operationalize a new warehouse and IT modernization projects.

**Public Safety Services**

The Public Safety Services Program regulates the manufacture, distribution and sale of alcoholic beverages, and provides management of personnel who oversee the production, processing, and sale of recreational marijuana. A primary focus for this work is to prevent the sale of alcohol and marijuana to minors by ensuring distribution is made to responsible adults. The Governor's budget for Public Safety Services is \$37.5 million Other Funds and 116 positions. This reflects a 13.7 percent increase from the 2023-25 LAB to support core operations.

**Administration and Support**

The Administration and Support program provides policy, management, financial, information technology, and communications services to the agency. The Program supports other agency programs in a cost-effective manner, develops and maintains regulatory rules, and enables programs to efficiently supply and support local businesses. The Governor's budget for this program is \$42.4 million Other Funds and 91 positions. This is a 9.3 percent increase from the 2023-25 LAB to maintain current business operations.

**Recreational Marijuana Program**

The Recreational Marijuana Program is responsible for enforcing regulations relating to producers, wholesalers, processors, retailers, laboratories, marijuana worker permits, and research certificates with an emphasis on voluntary compliance. The Program also manages compliance and enforcement of a product tracking system, which is required to be used by licensees to track all marijuana and marijuana products from plant viability to final sale to the consumer. The Governor's budget for this Program is \$34.5 million Other Funds and 90 positions. This represents a 19.3 percent increase from the 2023-25 LAB, which includes increased capacity to implement the industrial hemp regulatory functions authorized during the 2024 Legislative Session.

**Agents Compensation Program**

The Agent Compensation Program contains the funds OLCC distributes to liquor agents to operate the stores and a commission for sales in distillery tasting room outlets. OLCC contracts with individual and private businesspeople to operate exclusive and nonexclusive liquor stores and distillery tasting rooms around the state to make distilled spirits available in a managed and socially responsible manner. These independent contractors (called liquor agents) receive funds from which they pay all store expenses. From the net, they fund their own salary and any benefits or retirement savings. Store compensation formulas for liquor stores and distillery agents were put into statute in 2021 and is a variable cost of liquor sales. The Governor's budget for this program is \$186.6 million Other Funds. This represents a 6.0 percent decrease from the 2023-25 LAB, which adjusts the budget to align with the current liquor sales forecast.

**Medical Marijuana Program**

The Medical Marijuana Program requires medical marijuana grow sites with more than two patients and OMMP processors and retailers to be tracked by OLCC's cannabis tracking system. OLCC is responsible for administering the tracking system and performing inspections to assure OMMP marijuana is properly accounted for. The Governor's budget for this program is \$7.1 million Other Funds and 21 positions. This represents a 5.7 percent increase from the 2023-25 LAB to support current operations.

**Capital Improvements**

The Capital Improvements program provides for stewardship of OLCC's building and grounds. OLCC owns its main office and distribution center complex on McLaughlin Blvd., in Milwaukie. OLCC's distribution center encompasses the warehouse connected to the main office building and a second warehouse on Milport Road, which was acquired in 2007. The Governor's budget for this program is \$0.3 million Other Funds, a 1.7 percent increase from the 2023-25 LAB.

**Capital Construction**

The OLCC Capital Construction program was created for the 2021-23 biennium, for expenditures associated with the construction of a new warehouse and office facility through the issuance of Article XI-Q General Obligation Bonds. The Governor's budget for this program does not have any funding as the Capital Construction project for the new warehouse and headquarters was approved in 2021-23. The Capital Construction appropriations approved in 2021-23 were phased-out; however, the limitation remains in effect for six years from the date of authorization.

## Public Employees Retirement System

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	\$17,250,000	\$0	\$0
Lottery Funds	15,091,192	28,527,388	44,911,479
Other Funds	160,709,008	177,462,596	195,151,442
Federal Funds	0	0	0
Other Funds (Nonlimited)	12,782,575,667	13,523,120,517	15,243,591,683
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$12,975,625,867	\$13,729,110,501	\$15,483,654,604
Positions	429	466	451
Full-time Equivalent	424.68	445.40	447.40

### OVERVIEW

The Public Employees Retirement System (PERS) is responsible for administering retirement programs for more than 900 public employers, including state, school, and local government workers. In support of its mission, PERS administers the Tier 1 - Tier 2 Retirement programs, the Oregon Public Service Retirement Program, the Individual Account Program, Judge Member Retirement Program, Oregon Savings Growth Plan - a deferred compensation program - Public Employee Benefit Equalization Fund, Social Security Administration Program, and PERS Health Insurance Program.

### GOVERNOR'S BUDGET

The Governor's budget is \$15,483.7 million total funds and 451 positions. This represents a 12.8 percent total funds increase from the 2023-25 Legislatively Approved Budget (LAB). Additionally, Lottery Funds from sports betting increased to support the Employer Incentive Fund (EIF). The Governor's budget supports ongoing efforts to modernize the core retirement benefit system, address workload increases due to demographics and system complexity, provide base funding for IT hardware and licensing, improve member education, and recovery of overpayments.

### REVENUE SUMMARY

PERS benefit trusts are funded primarily through a combination of employer or employee contributions and earnings generated on the investment of trust assets by the Oregon Investment Council (OIC). Primary revenue sources for the Standard Retiree Health Insurance Account are investment earnings and insurance premiums from retirees or a spouse or dependent of a deceased retired member. PERS derives revenues to fund administrative activities for the deferred compensation program primarily through a participant fee. All revenue is Other Funds, and no matching funds are required. Lottery Funds from sports betting proceeds fund the Employer Incentive Fund program.

## **AGENCY PROGRAMS**

### **Tier One and Tier Two**

Tier 1 and Tier 2 programs are statutorily created, public employee defined retirement benefit programs. The Tier 1 and Tier 2 programs are funded from member and employer contributions and the return on investment of those contributions - all of which are held in the Public Employee Retirement Fund (PERF). Program accounts for employee and employer contributions and interest earnings reflect the retirement payments made to Tier 1 and Tier 2 retirees.

The funds are transferred from plan assets included in this program unit to other program units to pay for agency administrative activities. This program unit includes \$13,232.4 million Nonlimited Other Funds expenditures. This is a 13.5 percent increase from the 2023-25 LAB.

### **Retirement Health Insurance**

PERS serves as a group sponsor providing health insurance services to more than 65,000 retired members and their dependents. PERS works with insurance carriers to design benefit packages, determine specifications, solicit proposals, and analyze carrier responses and award contracts. PERS uses a third-party administrator to provide insurance services directly to members. Revenues come from member paid insurance premiums, employer contributions, return on investments, and federal sources such as the Centers for Medicare and Medicaid Services. This program unit includes \$131.9 million Nonlimited Other Funds expenditures, a 39.3 percent decrease from 2023-25 LAB.

### **Oregon Public Service Retirement Pension**

The Oregon Public Service Retirement Program (OPSRP) is solely funded by employer contributions and associated earnings. Employees who started work with a participating public employer in a qualifying position on or after August 29, 2003, participate in the OPSRP Pension Program. This program unit includes \$274.5 million Nonlimited Other Funds expenditures. This is a 70.6 percent increase from the 2023-25 LAB to support anticipated benefit payment distributions.

### **Individual Account Program**

The Individual Account Program (IAP) is the defined contribution component of the PERS retirement plan. IAP has no guaranteed payment or rate of return. As of June 30, 2022, there were 292,983 active IAP accounts. The IAP requires members in qualifying positions to contribute six percent of their salary into the IAP, which is invested as part of the Oregon Public Employees Retirement Fund (OPERF) under the oversight of OIC. This program unit includes \$1,604.8 million Nonlimited Other Funds expenditures. This is an 8.2 percent increase from the 2023-25 LAB.

**Employer Incentive Fund Program**

Senate Bill 1566 (2018) established a one-time matching fund for PERS employers to address their Unfunded Actuarial Liabilities (UAL). The state provided up to 25 percent and PERS employers up to 75 percent of the amount employers may apply against their UAL. All PERS entities, including school districts, community colleges, and public universities were eligible to participate in the matching funds program; however, to become eligible for matching funds, an employer must have an approved UAL resolution plan. Once matched, Employer Incentive Fund revenues are transferred into employer "side accounts." When an employer makes a lump-sum payment to prepay all or part of the pension UAL, the money is placed in a "side account." This account is attributed solely to the employer making the payment and is held separate from other employer reserves.

The 2025-27 budget is \$44.9 million total funds from sports betting proceeds. The budget reflects an adjusted beginning balance to reflect additional revenue carried over from 2023-25.

**Central Administration**

Central Administration Division, in conjunction with the PERS Board, provides the central direction, planning, and leadership for PERS. The Division consists of the executive director, deputy director, senior policy director, human resources, procurement, facilities, logistics, and the Strategic and Operational Planning section. The Governor's budget includes \$24.8 million Other Funds and supports 69 positions. The budget adds four positions to assist with recruitment and internal and external communication.

**Financial Service Division**

The Financial Services Division provides comprehensive financial services to the agency. The Division is responsible for billions of dollars of transactions, including the receipt, posting and depositing of contributions, and disbursing benefits. Other fiscal activities include preparation, execution of the agency's biennial budget, coordination of actuarial services, fiscal analysis, accounts receivable, and accounts payable. The Governor's budget includes \$27.2 million Other Funds and supports 35 positions. The Governor's budget provides funding to support one new position for data collection.

**Information Services Division**

The Information Services Division develops and operates the agency's complex information systems, maintains the in-house data center; provides desktop support and training staff; and performs related activities including software development, database management, network support, and quality assurance. The Governor's budget includes \$36.3 million Other Funds and supports 73 positions. The Governor's budget increases staffing capacity to support IT transformations and continue work on modernizing the legacy benefits system. The budget also provides funding to support resources needed for the employee pension stability account.



**Operations Division**

The Operations Division provides comprehensive retirement plan information and assistance to PERS members and employers for the Tier 1, Tier 2, OPSRP, and IAP programs. It also includes the Oregon Savings Growth Plan and PERS Health Insurance Program. The Division processes benefit applications, determines benefit eligibility, reviews disability applications, and calculates and adjusts benefit payments. The Division's primary point of contact with PERS members and employers is through the call center and correspondence units. The Division provides member education through group presentations and assistance with retirement applications. The Governor's budget includes \$57.8 million Other Funds and 214 positions. This includes resources to implement the Public Safety Workforce Stabilization Act, House Bill 4045 (2024).

**Compliance, Audit and Risk Division**

The Compliance, Audit and Risk Division provides risk management and compliance services for all agency programs. The Division oversees and coordinates legal activities, assists in the identification and management of risk, provides independent audit and consulting services to ensure legal and policy compliance, and manages section 218 of the State Social Security Program. The Division ensures policies, business rules, and administrative rules follow state and federal statutes and the PERS plans maintain their tax qualified status. The Governor's budget includes \$15.1 million Other Funds and 29 positions – including seven new positions to support increased workloads.

**Core Retirement System Applications Division**

The Core Retirement System Applications Division (CRSAD) was established to implement Senate Bill 1049 (2019) - an omnibus PERS reform bill. The bill included provisions to develop a system to manage Employee Pension Stability Accounts, allow members to choose Target Date Funds for their IAP investments, and track retirement plan revision requests. It also required the implementation of a new tool for the EIF, School District Unfunded Liability Fund Program, and UAL Resolution Program. The Governor's budget includes \$34.0 million Other Funds and supports 31 positions to continue efforts to modernize existing systems.

## Oregon Racing Commission

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	7,169,552	7,482,263	7,889,653
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$7,169,552	\$7,482,263	\$7,889,653
Positions	15	15	14
Full-time Equivalent	10.64	10.39	10.14

### OVERVIEW

Established in 1933 as part of the Pari-Mutuel Wagering Act, the Oregon Racing Commission regulates all aspects of the pari-mutuel industry in Oregon, including racing and on- and off-track wagering, for the benefit of citizens, licensees, participants, and the state of Oregon. Pari-mutuel wagering is a system of betting through which winners divide the total amount bet for that specific type of wager after management expenses have been deducted. The Commission also regulates multi-jurisdictional account wagering hubs licensed in Oregon. The five-member governing board is appointed by the Governor and confirmed by the Senate, with terms of four years.

The Commission oversees horse racing at Grants Pass Downs and four summer race meets in Union, Grants Pass, Prineville, and Tillamook. To provide a safe and fair racing environment, the Commission also oversees licensing of race participants (jockeys, trainers, and owners), pari-mutuel wagering operations, and specific rules on horseracing. The Commission also regulates all aspects of on-track and off-site wagering operations, including the simulcast of races and hubs. There are approximately 2,800 licensed race meet participants, seven multi-jurisdictional hubs, and eight off-track betting locations in Oregon.

During race meets, Commission staff provide onsite monitoring of races, ensure equine competitors are "racing sound" and not exposed to unnecessary risk of injury, and monitor race participants and patrons to guard the integrity of the sport and the safety of the contestants, public, and animals.

### GOVERNOR'S BUDGET

The Governor's budget is \$7.9 million total funds. This is a 5.4 percent increase from the 2023-25 Legislatively Approved Budget. The Commission has experienced a continuing decline in its revenues since the closure of Portland Meadows and discontinuation of Historical Horse Racing in 2022, which

forced reductions to its programs in the 2023-25 biennium. The Governor's budget bolsters the Commission's revenues to ensure the Commission has sufficient resources to continue its regulatory role for horse racing in Oregon. The Governor's budget includes fee increases to individual licensees in Legislative Concept (LC) 478 and a statutory change in LC 487, to provide the Commission the authority to keep 100 percent of the revenues it collects from Advance Deposit Wagering (ADW) hubs rather than transferring 25 percent to the General Fund. The fees on individuals have not changed since at least 2000 and are significantly lower than those of the surrounding states. The increase in revenue provides the Commission the resources to continue its oversight role for horse racing in Oregon and to assure pari-mutuel wagering on horse races is conducted legally in Oregon. It further strengthens the Commission's ability to implement and propose additional safety measures for the protection of horses and jockeys at horse race meets. The Governor's budget provides the revenues necessary to continue the commercial race meet in Grants Pass and the summer race meets in communities throughout the state.

## **REVENUE**

All revenue supporting agency operations is Other Funds derived from live horse racing, simulcast wagering and offtrack betting sites, participation licenses, business licenses, fines and "outs" (where uncollected winning tickets are purged from the system after 90 days and paid to the Commission). With the decrease in revenues over the past few years, the Governor's supports revenue increases to continue current programs. Per LC 487, revenue derived from fees paid on "handle" (the amount of daily, weekly, monthly, or annual wagering totals) from Oregon licensed ADW companies will be deposited into the Racing Development Account. These are referred to as hub funds and are used to promote a healthy and stable horse racing industry in Oregon.

## Department of Revenue

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$238,599,023	\$248,901,204	\$267,297,265
Lottery Funds	0	0	0
Other Funds	270,179,837	187,084,346	166,715,178
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$508,778,860	\$435,985,550	\$434,012,443
Positions	1,122	1,166	1,164
Full-time Equivalent	1,055.30	1,088.75	1,107.29

### OVERVIEW

The Department of Revenue (DOR) administers 63 revenue streams, including 38 tax programs, 11 fee programs, and 14 other programs. These revenue streams account for more than 97 percent of the state's General Fund revenue. DOR also oversees the county property tax function and collects and distributes taxes and fees for other state agencies and local governments. Through the Other Agency Accounts program, the Department serves as a collection agent for money owed to other state agencies. Finally, the Department operates two tax relief programs for the elderly and persons with disabilities: the Nonprofit Housing for the Elderly Program and the Senior Citizens' and Disabled Citizens' Property Tax Deferral Program.

### GOVERNOR'S BUDGET

The Governor's budget includes \$434.0 million total funds for 2025-27 and 1,164 positions, a 0.5 percent decrease from the 2023-25 Legislatively Approved Budget (LAB) largely due to one-time IT project funding in 2023-25 and reduced Other Funds revenues. The Governor's budget invests in supporting the Property Tax program's core operations by backfilling declining Other Funds revenue and in maintenance and operations costs for the ELVIS property tax valuation system.

### REVENUE SUMMARY

The Department is dependent on General Fund to support its main programs and functions. The Other Funds revenue in the Department's budget is derived from administrative charges to various taxes, fees, assessments, collections, and other programs. Most Other Funds revenue collected gets transferred to other agencies or to local governments. Revenues from interest paid on delinquent property taxes, document recording fees, and from a reduction in the early filing discount for business taxpayers are used to help administer the Property Tax program.

## AGENCY PROGRAMS

### Administration

The Administration Division provides overall Department leadership and supports the work of the other divisions by providing services in the following areas: the Director's Office, Finance, Communications, the Internal Controls Office, Human Resources, Internal Audits, and Research. These service areas provide critical business support to achieve the agency's mission. The 2025-27 Governor's budget is \$57.6 million total funds and 88 positions. This is 11.7 percent over 2023-25 LAB.

### Property Tax Division

The Property Tax Division (PTD) oversees the property tax function of Oregon county government, which generates over \$17 billion per biennium for counties to fund public schools, police and fire departments, and other local government services. PTD consists of four major program areas, including:

- County Oversight – has supervisory authority over Oregon's 36 county assessment and taxation programs to achieve uniform tax administration in accordance with the Oregon Constitution.
- Valuation Section – appraises all industrial manufacturing properties in the state with a value of \$1.0 million or more, as well as utility, energy transmission, communication, and transportation property.
- Forestland Program – establishes the specially assessed value for approximately 8.1 million acres of forestland.
- Cadastral Information Systems – re-maps and provides map conversions to counties on a contractual cost-share basis and maintains the maps of 10 counties on a contractual basis.

The 2025-27 Governor's budget is \$64.0 million total funds and 79 positions. This is a 9.1 percent decrease from the 2023-25 LAB, largely due to declines in Other Funds revenues supporting county property tax assessment.

### Personal Tax and Compliance Division

The Personal Tax and Compliance Division is responsible for administering the Personal Income Tax, which accounts for approximately 92 percent of the state's General Fund. The mission of the Division is to improve taxpayer compliance with the programs it administers through taxpayer assistance, education, and enforcement activities. To aid voluntary compliance, the Division provides taxpayer education and assistance programs. The Division also provides enforcement and collection services for the TriMet and Lane Transit District Self-Employment taxes. The Governor's budget for the Personal Tax and Compliance Division is \$79.0 million total funds and 295 positions. This represents a 11.3 percent increase from 2023-25 LAB.

**Business Division**

The Business Division generates more than \$30 billion in revenue each biennium through the administration of the taxes imposed on large and small businesses, including Corporation Income and Excise taxes, Employer Income Tax Withholdings, Transit Payroll Taxes, Fiduciary, Inheritance, Cigarette Tax, Other Tobacco Products Tax, and other Special Programs. The Governor's budget for the Business Division is \$44.1 million total funds and 141 positions. This is an 8.0 percent increase from 2023-25 LAB.

**Collection Division**

The Collections Division was created to centralize debt collection efforts in both the Department and the state. The Division reflects an overall greater interest in ensuring taxes and debt owed are paid. The Division portfolio includes tax collection services and agency debt recovery services through inhouse collections teams. Additionally, the Division manages all debt assigned to private collection firms. In Fiscal Year 2024, this Division collected more than \$340 million in owed debts. The Governor's budget for the Collection Division is \$61.3 million total funds and 259 positions. This is an increase of 7.7 percent from 2023-25 LAB.

**Corporate Division**

The Corporate Division manages the Corporate Activity Tax (CAT) program to fund public education. Proceeds from the tax are deposited into the Fund for Student Success and directly support investments in education. This program unit reports to the Business Division and includes administrative resources to support taxpayers in complying with tax reporting and payment regulations, as well as revenue receipts, which are transferred to the Oregon Department of Education. The Governor's budget for the Corporate Division is \$18.5 million Other Funds and 50 positions. This is a 6.5 percent increase from the 2023-25 LAB.

**Information Technology Services Division**

The Information Technology Services Division supports the technology platforms on which the Department operates, processes incoming paper returns and correspondence, and processes and deposits all payments received by the Agency. The Governor's budget for the Information Technology Services Division consists of \$68.8 million total funds and 233 positions. This is a 7.2 percent increase from 2023-25 LAB. The budget invests in maintenance and operations costs for the ELVIS property tax valuation system.

**Marijuana Program**

The Marijuana Program consists of the staff needed to administer the Marijuana Tax, including communications, policy analysis, and the development of administrative rules and forms. The Marijuana Program also administers over 92 local marijuana taxes on behalf of local governments. The Governor's budget is \$4.4 million Other Funds, an increase of 5.3 percent from 2023-25 LAB and includes 10 positions.

**Nonprofit Homes for the Elderly Program**

The Nonprofit Homes for the Elderly Program funds a property tax exemption for certain nonprofit homes for the elderly. This program reimburses counties for the tax exemption. The Governor's budget is \$3.4 million General Fund for the program, which is a 6.2 percent decrease from the 2023-25 LAB and reflects a reduction to the program in the Governor's budget.

**Senior and Disabled Citizens' Property Tax Deferral**

The Senior Citizens Property Tax Deferral program pays property taxes on behalf of low-income seniors and disabled residents in exchange for a lien against their property. Revenues for the program come from the release of the lien when the property is sold. Revenues are restricted to paying program benefits and administrative costs. The program paid \$11.6 million to counties for 3,800 program participants in 2023-24. The Governor's budget includes \$24.6 million Other Funds and nine positions. This is a 33.6 percent decrease from 2023-25 LAB and reflects a reduction in the Program's budget to reflect recent enrollment and expenditure trends.

**Information System Projects**

Information Systems Projects accounts for the budgets of major information technology projects undertaken by the Department, including in recent years the Core System Replacement Project and ELVIS. The Governor's budget includes \$3.1 million Other Funds. This is a 77.8 percent decrease from 2023-25 LAB and reflects progress in completing the ELVIS project.

**Revenue Clearinghouse**

This Program unit records all of the non-program specific revenues and transfers for DOR. It does not contain any expenditures or positions.

**Capital Debt Service and Related Costs**

This Program unit includes the total cost of all debt service for the Department. The \$5.2 million total funds Governor's budget represents an 8.2 percent increase from 2023-25 LAB.



## Secretary of State

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27* Agency Request Budget
General Fund	\$19,720,149	\$19,486,697	\$28,419,807
Lottery Funds	0	0	0
Other Funds	77,315,042	97,793,249	102,118,422
Federal Funds	4,877,510	5,050,327	4,603,973
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$101,912,701	\$122,330,273	\$135,142,202
Positions	235	247	263
Full-time Equivalent	233.14	244.96	263.00

\*The Governor makes no recommendation for this budget, as it is not under executive control. For statutory purposes, the Governor included \$26,753,001 million General Fund, \$101,764,575 Other Funds, and \$4,596,154 Federal Funds, for a total amount of \$133,113,730 in her budget as a placeholder.

### OVERVIEW

The Secretary of State is an elected constitutional office. Its duties include:

- Interpreting, applying and enforcing election laws;
- Publishing the Voters' Pamphlet;
- Auditing state agencies' financial operations and program performance;
- Publishing the state's administrative rules;
- Storing and preserving public records;
- Making records accessible to the citizens of Oregon; and
- Providing registration and other services to Oregon businesses.

The Office has increased its services to citizens and other customers over recent years, particularly through the use of technology. The Agency Request Budget continues that effort.

### REQUESTED BUDGET

The Agency Request Budget is \$135.1 million total funds. This is approximately a 10.5 percent increase from the 2023-25 Legislatively Approved Budget. The requested budget funds 263 positions, 17 of which were added in 2024 to support election finance reforms.

The requested budget continues funding upgrades to the Secretary of State's system database and security information systems. This includes funding for major improvements and enhancements of ORESTAR, the system used for campaign finance reporting, and other tasks and activities associated

with elections activities. The requested budget also continues shifting funding to support the Help America Vote Act operations from Federal Funds to General Fund. Additionally, the requested budget includes funding to reclassify a number of positions and support expanded translation services required of the Translation Advisory Council.

#### **REVENUE SUMMARY**

The Secretary of State uses General Fund to cover part of its operational costs, specifically for the Elections and Administration Divisions. The Secretary of State also transfers revenue from Voters' Pamphlet fees, election-filing fees, and business registration fees to the General Fund. The agency collects Other Funds revenues from document sales and fees for service, such as charges to state agencies for audits. The agency administers the State Election Fund as required by the Help America Vote Act, which consists of amounts appropriated or otherwise made available by Congress and the Oregon Legislative Assembly for carrying out mandates and activities involved in administering the Help America Vote Act.

## State Library of Oregon

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$4,533,021	\$5,095,768	\$5,692,166
Lottery Funds	0	0	0
Other Funds	7,137,546	9,083,535	10,358,600
Federal Funds	7,778,650	5,401,406	5,738,385
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$19,449,217	\$19,580,709	\$21,789,151
Positions	41	42	42
Full-time Equivalent	39.47	39.76	40.18

### OVERVIEW

The State Library of Oregon provides equitable access to library and information services for all Oregonians. The mission is to cultivate, preserve, and deliver library and information services to foster lifelong learning and community engagement. The Library serves over 37,000 state government employees and provides information services with an average of approximately 30,000 items circulated every month. Additionally, the library circulates digital and braille formatted materials to over 5,000 print-disabled Oregonians. It provides grants and assistance to help develop and improve library services, and to foster greater cooperation among all of Oregon's libraries. The library is governed by an independent board, consisting of nine members from different areas throughout the state who are appointed by the Governor to serve four-year terms.

### GOVERNOR'S BUDGET

The Governor's budget for State Library of Oregon is \$21.8 million total funds. This is an 11.3 percent increase from the 2023-25 Legislatively Approved Budget. The budget reflects an emphasis on improved customer service and timeliness to ensure long-term viability, dedicated programmatic coordination, and cataloging the General and Special Collections via additional staff. The budget supports 42 positions. The budget maintains funding to continue current operations.

### REVENUE SUMMARY

Revenue for the State Library of Oregon includes General Fund, which provides 26.1 percent of the agency's funding. Other Funds revenues, including assessments on state agencies, provide 47.5 percent of the funding. Federal Funds from the Library Services and Technology Act provide about 26.3 percent of available resources.

## **AGENCY PROGRAMS**

### **Operations**

The Operations Division is responsible for strategic leadership, fiscal management, information technology, volunteer coordination, communications, and State Library Board support. The unit includes a biennial budget of \$3.3 million total funds and supports eight positions. The budget represents a 17.3 percent increase from the 2023-25 Legislatively Approved Budget, maintaining current service levels.

### **Library Support and Development Services**

The Library Support and Development Services Division provides consultation services, professional development, statewide library services, and state and federal grant administration to libraries across the state. The Division administers state funded *Ready to Read* grants to all officially recognized public libraries in Oregon, which support summer reading and early literacy programs. Additionally, it administers federal grant funding from the Institute of Museum and Library Services Grants to States Program and provides leadership and consulting services to approximately 1,600 public, academic, school, and tribal libraries throughout Oregon. The unit includes a biennial budget of \$8.7 million total funds and supports 10 positions. The budget represents a 7.9 percent increase from the 2023-25 Legislatively Approved Budget, maintaining current service levels.

### **Talking Book and Braille Library**

The Talking Book and Braille Library serves Oregonians with print disabilities by providing braille, audiobooks, descriptive videos, and magazines through the mail and via digital download. This is a free service to eligible Oregonians, with over 5,000 active users and an average of approximately 30,000 items circulated every month. The Talking Book and Braille Library is the regional library in Oregon for the Library of Congress' National Library Service for the Blind and Print Disabled network. The Division includes a biennial budget of \$2.7 million total funds and supports eight positions. The budget represents a 11.4 percent increase from the 2023-25 Legislatively Approved Budget, maintaining current service levels.

### **Government Information and Library Services**

The Government Information and Library Services Division provides library services to state employees including research assistance, professional development, and instruction. The Division preserves state agency publications and makes them accessible through the Oregon Digital Collections website. Additionally, it collects and manages print and online resources focused on the research needs of government employees and provides interlibrary loan services to acquire requested resources owned by other libraries. The Division includes a biennial budget of \$7.1 million total funds and supports 16 positions. The budget represents a 13.0 percent increase from the 2023-25 Legislatively Approved Budget, which includes investment in government documents collections.

## Oregon State Treasury

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Agency Request Budget*
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	101,287,702	135,564,052	146,476,512
Federal Funds	0	0	0
Other Funds (Nonlimited)	172,124	2,900,000	4,067,299
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$101,459,826	\$138,464,052	\$150,543,811
Positions	210	223	219
Full-time Equivalent	201.61	213.87	215.90

\*The Governor makes no recommendation for this budget, as it is not under executive control. For statutory purposes, the Governor included \$146,112,466 Other Funds and \$4,067,299 Other Funds Nonlimited for a total funds budget of \$150,179,765 in her budget as a placeholder.

### OVERVIEW

The Oregon State Treasury is a multi-billion dollar cash, debt, and investment management center that provides services to all Oregon state agencies, financial solutions for hundreds of Oregon's local government entities, and financial planning programs for individual Oregonians. The State Treasurer is a statewide elected constitutional official with responsibility for the sound management of Oregon's financial resources.

### REQUESTED BUDGET

The Oregon State Treasury Agency Request Budget is \$150.5 million total funds. This is an 8.7 percent increase over the 2023-25 Legislatively Approved Budget and funds 219 positions. The budget allows the State Treasury to continue current levels of service.

### REVENUE SUMMARY

The ongoing administrative operations of the State Treasury are financed entirely with Other Funds. Some of the revenue comes from investment administrative fees. Other revenues come from the direct billing of customers for actual costs of banking services, bond and coupon redemption services, and bond issuance activities. Banks and credit unions pay the cost of operating the Public Funds Collateralization Program, which bank depositories are required to pledge collateral against any public fund deposits in excess of deposit insurance amounts to provide additional protection for public funds.

The Treasury's consumer savings programs are funded primarily by administrative fees. Program administrative fee revenues, network investment plan managers and interest earnings fund the Oregon

529 College Savings Program. The Oregon 529 Achieving a Better Life Experience (ABLE) Savings Plan and the Oregon Retirement Savings Board are operated with Other Funds derived from fees.

## **AGENCY PROGRAMS**

Oregon Treasury operates five service areas: State and Local Financial Services, Public Savings Services, Investment Services, Trust Property Services, and Administrative Services. A summary of each program unit is included below.

### **State and Local Government Financial Services**

The State and Local Government Financial Services program helps Oregon governments of all sizes manage money efficiently and safely. Treasury enables these activities by providing important financial tools and services to state agencies, public universities, and local governments, which allow governments to do business, stretch tax dollars, and better serve Oregonians.

### **Public Savings Services**

Under Public Savings Services, Oregon Treasury Savings Network oversees several public “defined contribution” investment programs, which advance the connected policy goals of increasing individual savings and quality of life and reducing long-term government costs. Public Savings Services consists of three program units: Oregon 529 College Savings Program, Oregon 529 ABLE program, and Oregon Saves program.

### **Investment Services**

Investment Services consists of three program units: Investment Management Program, Investment Operations Program, and Investment Legal & Compliance Program.

### **Trust Property Services**

Trust Property is the depository of record for unclaimed and presumed abandoned property and funds. These unclaimed funds and properties include dormant bank accounts, safe deposit box contents, utility deposits and refunds, insurance dividends, matured insurance policies, securities such as stocks and mutual funds, wages, credit balances, etc.

### **Administrative Services**

Administrative Services is the centralized administrative function for Treasury business units and staff directly supporting the State Treasurer. The program provides the support needed to ensure the State Treasury and all Treasury programs have the administrative infrastructure, operational resources, and technology necessary to fulfill their mission and statutory requirements.

# LEGISLATIVE BRANCH

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## LEGISLATIVE BRANCH AGENCIES

### Legislative Program Area Budget

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Agency Request Budget*
General Fund	\$390,005,599	\$237,230,123	\$263,705,733
Lottery Funds	0	0	0
Other Funds	31,002,348	235,939,334	10,805,784
Federal Funds	0	0	0
Other Funds (Nonlimited)	840,406	1,244,820	1,359,634
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$421,848,353	\$474,414,277	\$275,871,151
Positions	586	603	598
Full-time Equivalent	474.29	490.86	490.47

\*The Governor makes no recommendation for this budget, as it is a separate branch of government. For statutory purposes, the Governor included \$263,272,296 General Fund, \$10,805,784 Other Funds, and \$1,359,634 Other Funds Nonlimited for a total funds budget of \$275,437,714 in her budget as a placeholder.

### OVERVIEW

The Legislative Assembly, including its members and their employees, the Commission on Indian Services, and five supporting agencies comprise the Legislative Branch. The five supporting agencies providing administrative services and specialized analysis are the Legislative Administration Committee, Legislative Counsel Committee, Legislative Policy and Research Office, Legislative Fiscal Office, and the Legislative Revenue Office.

### REQUESTED BUDGET

The requested budgets for the seven agencies within the Legislative Branch maintain program operations at existing levels. The total requested budget for the Legislative Branch represents a 41.9 percent decrease compared to the 2023-25 Legislatively Approved Budget.

### GOVERNOR'S ADJUSTMENT

The Legislative Assembly and supporting agencies comprise a separate and independent branch of state government over which the Governor exercises no budgetary authority. Notwithstanding, the Governor is required by statute to submit a balanced budget for all of state government. For this reason, the Governor's budget reflects funding for all Legislative Branch agencies at \$275.4 million total funds, which accounts for their current levels of service.

## Legislative Administration Committee

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27* Agency Request Budget</b>
General Fund	\$284,501,154	\$101,125,099	\$119,342,267
Lottery Funds	0	0	0
Other Funds	26,022,904	227,990,277	2,208,547
Federal Funds	0	0	0
Other Funds (Nonlimited)	203,888	396,000	480,000
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$310,727,946	\$329,511,376	\$122,030,814
Positions	81	83	83
Full-time Equivalent	77.50	80.71	80.83

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$119,119,901 General Fund, \$2,208,547 Other Funds and \$480,000 Other Funds Nonlimited for a total funds budget of \$121,808,448 in her budget as a placeholder.

### OVERVIEW

The Legislative Administration Committee appoints an administrator to direct and manage services and support systems for the Legislative Assembly and other legislative branch agencies. Services include staffing for information systems and technology support, building operations and maintenance for the state Capitol, accounting, payroll, personnel functions and providing information to Legislators and the public.

### REQUESTED BUDGET

The Agency Request Budget is \$122.0 million total funds. This is a 63.0 percent reduction from the 2023-25 Legislatively Approved Budget, primarily due to elimination of approximately \$200 million General Fund associated with one-time capital construction expenditures and the phase out of funding related to a completed software upgrade project. The requested budget allows the committee to continue at existing ongoing operations levels.

### REVENUE SUMMARY

The General Fund supports about 97 percent of the committee's requested expenditures. The agency also receives Other Funds revenues for rent of office space, parking fees, and other items. Nonlimited Other Funds are from the Capitol Gift Shop and the Property and Surplus Stores account.

## Legislative Assembly

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27* Agency Request Budget
General Fund	\$61,263,416	\$76,462,887	\$82,384,128
Lottery Funds	0	0	0
Other Funds	0	173,805	157,741
Federal Funds	0	0	0
Other Funds (Nonlimited)	18,939	150,000	150,000
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$61,282,355	\$76,786,692	\$82,691,869
Positions	333	333	333
Full-time Equivalent	253.08	253.77	253.77

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$82,225,208 General Fund, \$157,741 Other Funds and \$150,000 Other Funds Nonlimited for a total funds budget of \$82,532,949 in her budget as a placeholder.

### OVERVIEW

The Legislative Assembly represents the voice of the people, providing a forum for agenda setting, deliberation and determination of public policy. It is tasked with revising and enacting laws pertaining to the health, education, and general welfare of Oregonians. The Legislative Assembly is also responsible for balancing the state's biennial budget.

The Legislature meets in a longer session every odd-numbered year and enacts a biennial budget. During the interim, interim committees examine specific topics or program areas and a Joint Committee, the Emergency Board, meets periodically to address certain fiscal issues, which are unable to wait until the next regular session.

### REQUESTED BUDGET

The Agency Request Budget is \$82.7 million total funds. This is a 7.7 percent increase from the 2023-25 Legislatively Approved Budget and funds 333 positions. The requested budget allows the assembly to continue at existing program levels.

### REVENUE SUMMARY

The General Fund supports 99.6 percent of the Legislative Assembly budget. The Assembly receives Other Funds revenues from charging customers for the duplication of legislative materials and miscellaneous receipts. The Assembly also receives Nonlimited Other Funds for use of the House and Senate lounges by legislative members during session.

## Legislative Commission on Indian Services

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27* Agency Request Budget</b>
General Fund	\$906,198	\$1,361,741	\$1,417,653
Lottery Funds	0	0	0
Other Funds	372	7,604	7,604
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$906,570	\$1,369,345	\$1,425,257
Positions	3	3	3
Full-time Equivalent	2.75	3.00	3.00

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$1,416,858 General Fund and \$7,604 Other Funds for a total funds budget of \$1,424,462 in her budget as a placeholder.

### OVERVIEW

Established in 1975, the Legislative Commission on Indian Services was created to improve services to Indians in Oregon and to provide a forum where Indian concerns can be raised and considered. The Commission compiles information on services available to Indians, assesses state programs and services, and advises on matters relating to the preservation and protection of Indian historic and archaeological resources. The Commission must be consulted on matters related to the preservation and protection of fish, wildlife, historic and archaeological resources. The 13-member Commission is appointed by the President of the Senate and Speaker of the House of Representatives for two-year terms. The Commission members select their own officers to serve one-year terms of office.

### REQUESTED BUDGET

The Agency Request Budget is \$1.4 million total funds. This is a 4.1 percent increase from the 2023-25 Legislatively Approved Budget. The requested budget enables the Commission to continue existing levels of service.

### REVENUE SUMMARY

The Commission receives most of its budget from the General Fund. The Other Funds revenue comes from registration and other fees derived from the sponsorship of special meetings. The funds are used to cover costs associated with the events.

## Legislative Counsel Committee

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Agency Request Budget*</b>
General Fund	\$17,015,693	\$21,695,313	\$22,464,145
Lottery Funds	0	0	0
Other Funds	1,267,402	2,429,570	2,648,391
Federal Funds	0	0	0
Other Funds (Nonlimited)	617,579	698,820	729,634
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$18,900,674	\$24,823,703	\$25,842,170
Positions	64	65	65
Full-time Equivalent	57.00	58.04	58.58

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$22,433,726 General Fund, \$2,648,391 Other Funds and \$729,634 Other Funds Nonlimited for a total funds budget of \$25,811,751 in her budget as a placeholder.

### OVERVIEW

Overseen by the Legislative Counsel Committee, the Office of the Legislative Counsel provides legal and publication services to the Legislative Assembly and its members and other state agencies. The Office drafts measures and amendments for Legislators, legislative committees, statewide elected officials, and state agencies. The Office provides legal advice to Legislators and legislative committees. It prepares indexes and tables for all measures introduced during legislative sessions and publishes and distributes the 21-volume Oregon Revised Statutes every two years. Finally, the office reviews all administrative rules adopted by state agencies to determine if they are consistent with the agencies' enabling statute.

### REQUESTED BUDGET

The Agency Request Budget for the 2025-27 biennium is \$25.8 million total funds. This is a 4.0 percent increase from the 2023-25 Legislatively Approved Budget and funds 65 positions. The requested budget allows the Committee to continue at existing program levels.

### REVENUE SUMMARY

General Fund supports 87 percent of Legislative Counsel Committee's expenditures. Other Funds are derived from sales of the Oregon Revised Statutes, Oregon Laws, bill drafting services, and other Legislative Counsel publications.

## Legislative Fiscal Office

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Agency Request Budget*
General Fund	\$7,059,391	\$9,602,798	\$10,418,582
Lottery Funds	0	0	0
Other Funds	3,711,670	5,338,078	5,783,501
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$10,771,061	\$14,940,876	\$16,202,083
Positions	27	27	27
Full-time Equivalent	27.00	27.00	27.00

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$10,411,498 General Fund and \$5,783,501 Other Funds for a total funds budget of \$16,194,999 in her budget as a placeholder.

### OVERVIEW

The Legislative Fiscal Office (LFO) is a permanent, non-partisan legislative service agency. During sessions, the office provides budget analysis on introduced bills and amendments. The office also provides research and analysis to members, legislative staff and other stakeholders about the budget process, state expenditures, program administration, agency organization and current budget issues. Additionally, the office:

- makes recommendations and works with the Legislative Assembly to balance the state's biennial budget, including evaluating the fiscal impact of all legislative measures; and
- reports to the Joint Committee on Ways and Means during legislative sessions and the meetings of the Emergency Board and the Interim Joint Committee on Ways and Means between sessions.

### REQUESTED BUDGET

The Agency Request Budget is \$16.2 million total funds. This is an 8.4 percent increase from the 2023-25 Legislatively Approved Budget and funds 27 positions. The requested budget enables LFO to continue existing levels of service.

### REVENUE SUMMARY

The General Fund supports about 64 percent of the LFO's expenditures. Other Funds revenue is derived from a portion of the Central Government Service Charge assessment associated with the work of the office.

## Legislative Policy and Research

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Agency Request Budget*</b>
General Fund	\$15,870,697	\$22,519,811	\$22,938,732
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$15,870,697	\$22,519,811	\$22,938,732
Positions	71	84	79
Full-time Equivalent	49.96	60.46	59.29

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$22,927,110 General Fund in her budget as a placeholder.

### OVERVIEW

The Legislative Policy and Research Office (LPRO) provides centralized, professional, and non-partisan research, analysis, and committee management services for the Legislative Assembly. Senate Bill 1569 established LPRO in 2016, as a joint committee of the Legislative Assembly. LPRO is responsible for preparing and assisting in the preparation of legislative research, facilitating the development of legislative policy, and providing advice and assistance to legislative committees.

### REQUESTED BUDGET

The Agency Request Budget is \$22.9 million total funds. This is a 1.9 percent increase from the 2023-25 Legislatively Approved Budget and funds 79 positions. The requested budget supports LPRO at existing levels of service.

### REVENUE SUMMARY

The Legislative Policy and Research Office is completely supported by the General Fund.



## Legislative Revenue Office

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Agency Request Budget*
General Fund	\$3,389,050	\$4,462,474	\$4,740,226
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$3,389,050	\$4,462,474	\$4,740,226
Positions	7	8	8
Full-time Equivalent	7.00	7.88	8.00

\*The Governor makes no recommendation on this budget because it is part of a separate branch of government. As part of the statutorily required balanced budget, the Governor included \$4,737,995 General Fund in her budget as a placeholder.

### OVERVIEW

The Legislative Revenue Office (LRO) provides non-partisan analysis to the Oregon Legislature on tax policy and school finance issues. The Office provides staff assistance to the Senate Finance and Revenue Committee and House Revenue Committee during legislative sessions and to interim revenue committees, task forces, and workgroups between sessions. LRO staff provides research for other members, representatives, and committees upon request. Additionally, staff prepare research reports and write revenue impact statements on initiatives, proposed legislation affecting state or local public finances, personal and corporate income taxes, property taxes, consumption taxes, school funding, and distribution of the State School Fund.

### REQUESTED BUDGET

The Agency Request Budget is \$4.7 million total funds. This is a 6.2 percent increase from the 2023-25 Legislatively Approved Budget and funds eight positions. The requested budget enables LRO to continue existing levels of service.

### REVENUE SUMMARY

The Legislative Revenue Office is completely supported by General Fund.

# JUDICIAL BRANCH

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## JUDICIAL BRANCH AGENCIES

### Judicial Branch Summary

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Agency Request Budget*</b>
General Fund	\$622,716,480	\$792,371,362	\$979,453,165
Lottery Funds	0	0	0
Other Funds	69,842,961	397,083,341	243,877,455
Federal Funds	2,531,337	4,737,986	5,408,623
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$695,090,778	\$1,194,192,689	\$1,228,739,243
Positions	2,000	2,211	2,381
Full-time Equivalent	1,922.37	2,090.77	2,300.22

\*The Governor makes no recommendation for this budget, as it is a separate branch of government. For statutory purposes, the Governor included \$844,235,848 General Fund, \$243,877,455 Other Funds, and \$5,408,623 Federal Funds for total funds of \$1,093,521,926 in her budget as a placeholder.

### OVERVIEW

The mission of the Judicial Branch is to provide fair and accessible justice services, protect the rights of individuals, preserve community welfare and inspire public confidence.

Two independent state entities, the state Judicial Department and the Commission on Judicial Fitness and Disability, compose the Judicial Branch program area. These entities provide policy, programs, administrative support, and oversight for Oregon's judicial system and ancillary services.

### REQUESTED BUDGET

The Judicial Branch agencies requested a budget designed to improve the public's experience when seeking justice in the courts. Highlights of the Chief Justice's Requested Budget include:

- Continued implementation of a long-range plan to meet security standards in circuit courts;
- Courthouse improvement and replacement projects throughout the state;
- Funding to continue addressing the unrepresented crisis; and,
- Additional judges, staff, and technology investments to improve timely service and reduce barriers to access to justice.

Beginning January 1, 2025, the Oregon Public Defense Commission is transferred to the Executive Branch as part of the Public Safety program area. Previously, the Commission was part of the Judicial Branch.

The total requested Judicial Branch budget represents a 8.4 percent decrease in total funds and a 6.6 percent increase in General Fund support compared to the 2023-25 Legislatively Approved Budget.

#### **GOVERNOR'S ADJUSTMENTS**

The Judicial Branch agencies are a separate and independent branch of state government. The Governor does not have budgetary authority over them. The law, however, requires the Governor to submit a balanced budget for the state. For this reason, the Governor's budget includes a placeholder for the Judicial Branch of \$1,093.5 million total funds, including \$844.2 million General Fund.

## Oregon Judicial Department

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Agency Request Budget*</b>
General Fund	\$622,417,382	\$791,984,702	\$978,833,869
Lottery Funds	0	0	0
Other Funds	69,842,961	397,083,341	243,877,455
Federal Funds	2,531,337	4,737,986	5,408,623
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$694,791,680	\$1,193,806,029	\$1,228,119,947
Positions	1,999	2,210	2,380
Full-time Equivalent	1,921.87	2,090.27	2,299.22

\*The Governor makes no recommendation for this budget, as it is a separate branch of government. For statutory purposes, the Governor included \$843,843,470 General Fund, \$243,877,455 Other Funds and \$5,408,623 Federal Funds for total funds of \$1,093,129,548 in her budget as a placeholder.

### OVERVIEW

The Oregon Judicial Department's budget contains the resources necessary to operate a statewide court system for the Judicial Branch of Oregon state government. Effective January 1983, the Legislature created a unified, state-funded court system with general jurisdiction trial courts (circuit courts) located in all 36 counties. Municipal courts and justice courts, both with limited jurisdiction, remain outside the state-funded system and are operated by cities and counties.

The Chief Justice of the Supreme Court is the administrative head of the Department with authority over the unified state court system's operations, programs, and functions. The Chief Justice appoints the State Court Administrator, who is responsible for assisting in the OJD's administration and coordination. The Chief Justice also appoints presiding judges, who in turn appoint trial court administrators to assist in administering the daily operations of the individual courts.

The Judicial Department includes:

- Operations of the Oregon Supreme Court, the Court of Appeals, the Tax Court, and the Office of the State Court Administrator.
- Operations of the 36 circuit courts organized into 27 judicial districts statewide. These trial courts, located in every county, rule on a full range of cases, including criminal, civil, juvenile, and domestic relations.
- Administration of mandated payments for the cost of jurors, transcripts in certain civil appeals, Americans with Disabilities Act compliance, and court provision of interpreters.

- Administration of centralized management and support functions, such as statewide systems for case management and information, budget and finance, legal counsel services, education and training, internal auditing, inter-branch and interagency relations, court operations program review, personnel rules and services, collection of court-imposed financial obligations, and a statutory citizen review board, which reviews child permanency plans in out-of-home placements and makes recommendations to the circuit court judges on the feasibility and progress of these plans.

## **REQUESTED BUDGET**

The Chief Justice's Agency Request Budget is \$1,228.1 million total funds. It includes \$978.8 million General Fund (including General Fund debt service), \$243.9 million Other Funds, and \$5.4 million Federal Funds. This requested budget supports 2,380 positions and includes all programs and all policy packages submitted for legislative consideration.

The Department's requested budget continues a long-range plan to meet minimum security standards in all circuit courts and provides funding for courthouse improvement and replacement projects throughout the state. Additionally, the requested budget includes continued funding to address the unrepresented crisis. The requested budget also includes additional judges, staff, and technology investments to improve timely services to the public and eliminate barriers to access to justice.

A portion of the Judicial Department budget is passed through to other entities, primarily counties, for courthouse capital repairs and replacement, court security, and other services. Most of the operating costs are for personnel, located statewide as required by statute.

## **REVENUE SUMMARY**

The Judicial Department generates revenue for the General Fund from filing fees, trial and hearing fees, collections fees, and copy sales. Other Funds revenues are also generated by the Judicial Department from fines, assessments, sales of publications, access to the Oregon Judicial Case Information Network, drug court grants, and grants from other state agencies to leverage federal funding sources. The Federal Funds revenues are from the U.S. Department of Health and Human Services for continuation of the Juvenile Court Improvement Project.

## Commission on Judicial Fitness and Disability

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Agency Request Budget*</b>
General Fund	\$299,098	\$386,660	\$619,296
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$299,098	\$386,660	\$619,296
Positions	1	1	1
Full-time Equivalent	0.50	0.50	1.00

\*The Governor makes no recommendation for this budget, as it is a separate branch of government. For statutory purposes, the Governor included \$392,378 General Fund in her budget as a placeholder.

### OVERVIEW

The Commission on Judicial Fitness and Disability investigates complaints filed against Oregon judges. The Commission may recommend the Oregon Supreme Court discipline a judge for misconduct, which includes censure, suspension, or removal of a judge from the bench.

### REQUESTED BUDGET

The budget requested by the Commission on Judicial Fitness and Disability is \$0.6 million General Fund. The Commission is requesting a 60 percent increase from the 2023-25 Legislatively Approved Budget, which includes funding to meet current operations and increase the leadership position to full time.

### REVENUE SUMMARY

The Commission on Judicial Fitness and Disability's entire budget is funded with General Fund.



# EMERGENCY BOARD

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## EMERGENCY BOARD

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$0	\$284,681,502	\$455,000,000
Lottery Funds	0	0	0
Other Funds	0	0	0
Federal Funds	0	0	0
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$0	\$284,681,502	\$455,000,000
Positions	0	0	0
Full-time Equivalent	0.00	0.00	0.00

### OVERVIEW

The Emergency Board acts to meet emergency needs when the Legislature is not in session. It can allocate money from the Emergency Fund to state agencies. It can also take other action on agency budget requests. The Governor's budget provides a total of \$455.0 million for the Emergency Fund. The components of this are described below.

### GENERAL PURPOSE

The Governor's budget proposes \$50 million for the General Purpose Emergency Fund. The Emergency Board can use this funding for any purpose during the biennium. Items that would be appropriate for consideration for this fund include situations in which the state must deal with unforeseen but critical needs or when additional investment is critical to an agency or service.

### SPECIAL PURPOSE APPROPRIATIONS

The Governor's Budget sets aside \$300 million in the Emergency Fund for state employee compensation. The funds will help cover cost increases for health and benefit plans and wages for all state employees. The Governor's budget also includes a \$75 million Special Purpose Appropriation (SPA) to cover bargained compensation changes for represented non-state employee home care workers and personal support workers.

A separate \$16 million SPA is included in the Emergency Fund for fire protection severity suppression resources in the Oregon Department of Forestry (ODF). The appropriation reimburses ODF costs for seasonal aviation and ground-based emergency "initial attack" resources. Additionally, two separate SPAs, \$10 million and \$4 million, are included in the Emergency Fund to be utilized for grants to support the Private Forest Accord for both ODF and the Department of Fish and Wildlife, respectively, in connection with progress toward a federally approved Habitat Conservation Plan.

# STATE AND LOCAL SHARED SERVICES

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## STATE AND LOCAL SHARED SERVICES

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### **Budget Overview**

State services that benefit local governments and state funding of locally administered programs are vital for providing services to Oregonians. The Governor recognizes the importance of working with local governments to identify priorities, resolve problems, and pursue opportunities together. The Governor's budget seeks to cultivate collaborative approaches to allocating state resources for critical services to Oregonians at both state and local levels of government. Coordinated efforts address common goals in the state and result in good inter-governmental partnerships.

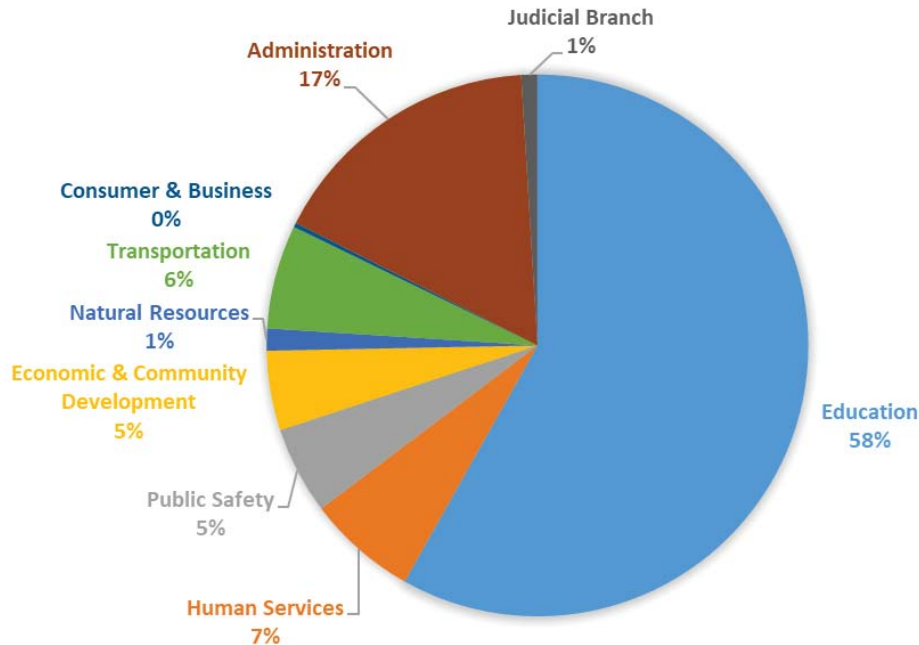
There are three primary types of shared services between state and local government:

- Funds paid by state agencies to local governments for locally administered programs (primarily county public safety services, public education, etc.);
- Revenues collected by state agencies and shared with local governments (shared revenues) for the purpose of funding local government services, such as the gas tax; and
- Services delivered by state agencies that benefit local governments, for example, directly funding local infrastructure projects.

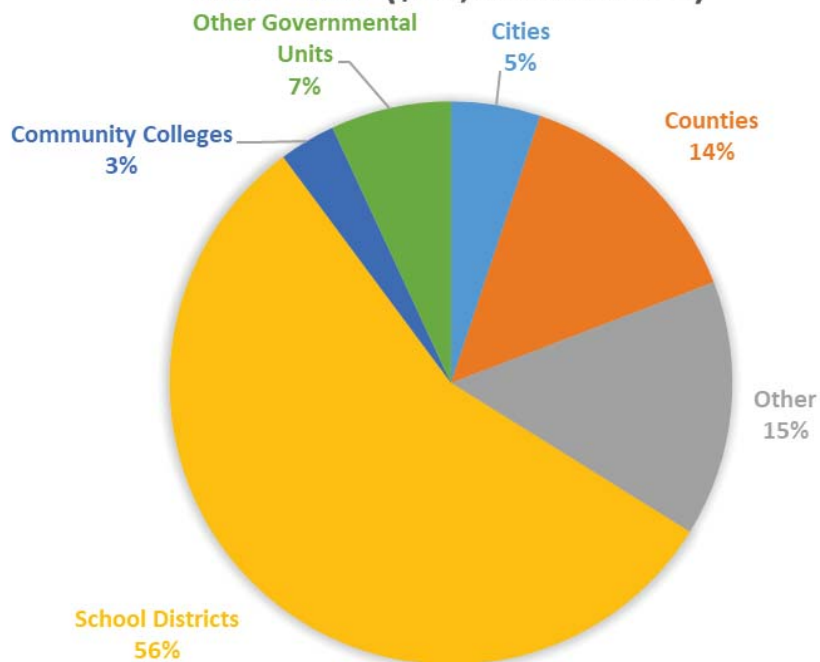
Resources to non-governmental units, individuals, and tax relief are not included in this section.

The 2025-27 Governor's budget contains \$28,826 million total funds in state and local shared services (see charts on the next page for specific program area distributions).

**2025-27 STATE AND LOCAL SHARED SERVICES BY PROGRAM  
AREA (\$28,826 MILLION)**



**2023-25 STATE AND LOCAL SHARED SERVICES BY  
RECIPIENT (\$28,826 MILLION)**



The following narrative provides a sampling of state and local shared services but is not a complete documentation of all services. Services are both direct and indirect. Indirect services may not be reflected in state budgets. Individual agencies can be contacted for more information.

### Administration Program Area

The Administration Program Area represents approximately 17 percent of total shared services. Agency budgets apportion \$4,777.3 million total funds to local government. Examples of shared services include:

- Department of Administrative Services. The Department administers a number of funds distributed to cities and counties in Oregon. In the 2025-27 biennium, transfers of revenue and payments to local governments total more than \$316 million. The support includes cigarette, marijuana, tobacco, and amusement tax revenues received from the Department of Revenue, as well as 14 percent of liquor revenues and seven percent of beer and wine taxes from the Oregon Liquor and Cannabis Commission. Federal Funds come from U.S. Land Sales, forest reserve rentals and leases, Taylor Grazing Act funds, and mineral leases. Distributions to counties from video lottery proceeds pass through the Economic Development Fund.
- Oregon Liquor and Cannabis Commission. A portion of the privilege tax revenue is transferred to local governments: 10 percent to cities based on population, five percent to counties based on population, and seven percent to cities based on a revenue sharing distribution formula. Twenty percent of net liquor revenues from sales, license fees, civil penalties, fines, and miscellaneous revenues are distributed to cities based on population, 10 percent to counties based on population, and 14 percent to cities based on a revenue sharing distribution formula.
- Department of Revenue. The Department of Revenue distributes over four billion dollars to local governments from a variety of resources. The Department collects local transit and marijuana taxes on behalf of many local governments. The Department also collects and transfers revenues to local governments for state tax programs such as the Heavy Equipment Rental Tax, Electric Co-op, Emergency Phone, Cigarette Tax and Private Rail Car programs. The Department also gives grants to counties to help maintain local property tax assessment functions, to pay property taxes on behalf of seniors or people with disabilities who have low incomes, and to reimburse counties for the cost of a property tax exemption.
- State Library of Oregon. The State Library provides resources to local governments in the form of Library Services and Technology Act competitive grants. These grants are distributed to city, county, and other libraries across the state. In addition, \$1.7 million in Ready-to-Read grants are distributed to public libraries throughout Oregon.

### Economic and Community Development Program Area

The Economic and Community Development Program Area includes five percent of total shared services and \$1,367.7 million total funds. Agencies in this area help provide economic and cultural enhancement. Examples of shared services include:

- Oregon Business Development Department. The Department, through its Infrastructure program, assists communities to build infrastructure capacity to address community facilities for public health, safety and compliance issues as well as support communities' ability to attract, retain and

expand businesses. Local infrastructure projects are funded through technical assistance, grants, loans and bond financing supported by Other Funds, Lottery Funds, and Federal Funds. The Department also administers the Community Development Block Grant program for the non-entitlement areas of the state (those local governments that do not receive a block grant directly from the United States Housing and Urban Development Department).

- *Housing and Community Services Department*. The Department provides approximately \$132 million to local government. The Department collaborates with community development corporations, community action agencies, housing authorities, local non-profits, local governments, and school districts to expand affordable housing, revitalize rural, and distressed communities and provide utility assistance to households with low income. In addition, local government and community partners are critical to effectively respond to the Homelessness State of Emergency and deliver outcomes that support the Governor's executive order.
- *Department of Veterans' Affairs*. The Department of Veterans' Affairs budget includes a total of \$11.3 million for 36 county veterans' service organizations in a service-delivery partnership with counties.

### Education Program Area

The Education Program Area represents 58 percent, or \$16,765.5 million, of state resources to local government, more than any other program area. State aid to schools has grown significantly since Ballot Measure 5 (1990) amended the Oregon Constitution to reduce property tax growth and required the state to replace property tax revenues lost by schools. The Oregon Legislature, in the 2019 Legislative Session, passed House Bill 3427 (referred to as the Student Success Act), which in turn created the Corporate Activity Tax (CAT). CAT funding created through this bill is a 0.57 percent tax on commercial activity in Oregon above one million dollars, which is dedicated to funding schools and early learning programs. Some examples of shared services are:

- *Department of Education*. Approximately 90 percent of the budget for the Department is for services to local governments. This aid consists of the State School Fund payments to local education districts, as well as numerous Grant-in-Aid programs.
- *Department of Early Learning and Care*. The Department provides grants to local governments, school districts, counties, community colleges, and other governmental units for the delivery of services related to early childhood education and school readiness. This includes grants for pre-kindergarten and early education services and contracts with organizations in local service delivery areas.
- *Higher Education Coordinating Commission*. Support for community colleges and local workforce programs is included in the Higher Education Coordinating Commission. This includes Community College Support Fund payments to local community college districts; distribution of the federal Workforce Innovation and Opportunity funds to regional, county, or community service delivery agents; grants for AmeriCorps programs, and distribution of state funding for local workforce programs.

### Human Services Program Area

The Human Services Program Area promotes health and safety. Agencies foster self-sufficiency and independence. State and local partnerships are vital in providing social supports. The program



area represents seven percent of total shared services. Human Services agencies provide \$1,889.1 million total funds to local governments. Some examples of these services are:

- Department of Human Services. The Department contracts with local government to provide a variety of developmental disability services and case management for seniors and people with disabilities. In addition, other local governmental units, like school districts, community action agencies, and cities, also play key roles in providing or coordinating services. The Department distributes \$1,086 million for services to seniors and people with physical, intellectual, and developmental disabilities. The senior and disabled services system is primarily managed through contracts with local Area Agencies on Aging. The developmental disability program is managed through contracts with local brokerages and county offices.
- Oregon Health Authority. The Oregon Health Authority contracts with local governments to deliver a significant number of state services. These contracts include payments for county-based mental health organizations, alcohol and drug abuse treatment services, communicable disease testing, prenatal/parental services and various other public health initiatives. The Department distributes \$462 million for addiction and mental health programs and \$257 million for public health services.

### Natural Resources Program Area

The Natural Resources Program Area represents one percent of total shared services. Agencies apportion \$380.4 million total funds to local governments. Agencies in this program area manage, protect, and preserve Oregon's natural resources. This is done with the best interests of present and future generations in mind, with the goal of protecting a sound, diversified and sustainable economy. The Oregon Plan for Salmon and Watersheds is a cooperative endeavor among the state, local communities, and the private sector. The agreement works toward improving and restoring salmon and steelhead runs, habitat and watershed health. Some examples of shared services include:

- Department of Environmental Quality. The Department provides a subsidy to the Lane Regional Air Pollution Authority. It also provides grants to improve solid waste planning and recycling, and loans for sewage treatment infrastructure.
- Department of Agriculture. The Department coordinates with the Oregon Watershed Enhancement Board to award Lottery Funds grants for various cities, counties, and other local government entities for weed control activities consistent with past levels of support.
- Forestry Department. The Department manages some state forests for benefits to counties. These lands were transferred to the state in the early part of the 20th century. Revenues from these lands help support county operations. Also, counties and schools receive a share of revenues from the harvesting of timber on forestland managed by the Department on behalf of the State Land Board.
- Department of Energy. The Department provides for the coordination of emergency response activities for the Hanford and Columbia Generating Station, and for assistance in evaluating energy facility siting applications.
- Department of Land Conservation and Development. Through its Grants program unit, the Department distributes funds to cities and counties. Grants are awarded to maintain, improve, and carry out comprehensive plans, land use regulations, Housing Production Strategies, and to help local governments meet the statutory obligation for periodic review of those plans including housing.
- Marine Board. The Marine Board serves local communities through programs that support waterway use within their jurisdictions. The Boating Safety program provides state boater funds to

local and county law enforcement to assist with marine patrols on Oregon's waterways and boating education in local schools. This money is matched with federal money to support these programs. The Boating Facilities program provides engineering, environmental, and contract services to support facility construction grants, and provides direct grant assistance for construction and maintenance. The Marine Board leverages boater money with additional Federal Funds for these projects.

- Oregon Parks and Recreation Department. The Department operates grant programs that provide funding to counties and other local governments for recreation and historic preservation. Each grant program has specific eligibility requirements. Some are designed for county governments only; others can include cities, counties, metropolitan service districts, park and recreation districts and port districts.

Ballot Measure 76, which was approved in 2010, provides the Department with 7.5 percent of net Lottery proceeds for state parks, beaches, historic sites, and recreation areas. For the 2025-27 biennium, the Department expects to transfer 25 percent to local and county governments through grants, as Measure 76 specifies if net lottery proceeds exceed the 50 percent growth of the 2009-11 biennium level.

There are six recreational grant programs, five of which distribute grants primarily for outdoor recreation purposes. Two of the five are pass-through using Federal Funds. The other grant program assists local governments in the creation or preservation of veterans and war memorials. Other grant programs include various types of historic preservation and heritage-related projects such as historic buildings and sites, archaeology, museums, and cemeteries.

Parks recreational grants:

- The County Opportunity Grant program provides funding for recreational vehicle camping sites funded through RV registration fees.
- The All-Terrain Vehicle (ATV) program distributes grants to local, state, and federal entities. Grants are awarded for law enforcement and safety, acquisition and maintenance of trails and facilities, and other ATV-related purposes.
- The Local Government Grant Program provided by the Lottery funded Parks and Natural Resources Fund, distributes funding to local governments for the acquisition and development of outdoor park grounds and facilities.
- The federal Recreational Trail Grant Program grant funds are used by local governments for non-motorized trails.
- The federal Land and Water Conservation Funds are used by local governments for acquisition and development of local parks.
- Grants for veteran and war memorials.

Parks historic preservation grants are for historic resource programs, archaeology, museums, and historic cemeteries.

## Public Safety Program Area

The Public Safety Program Area provides five percent of all shared services with local government, or \$1,506.3 million total funds. County grants for Community Corrections fund five percent of the total. Agencies in the public safety area are responsible for ensuring the safety of Oregon's people, property, and natural resources through trained National Guard and law enforcement units. It also includes prosecution and incarceration of juveniles and adults who committed offences. Some examples of shared services are:

- *Criminal Justice Commission*. The budget includes \$70.4 million General Fund for distribution to counties to fund specialty court and Justice Reinvestment grants. The agency also provides grants via the Illegal Marijuana Market Enforcement Grant Program to local law enforcement agencies for the staffing and equipment needed to combat illegal marijuana growing and distribution.
- *Department of Corrections*. The budget includes \$342.1 million total funds to support county community corrections programs, which supervise individuals with state felony offences who are on parole, probation, and post-prison supervision, and for management of individuals with felony offenses sentenced to incarceration for 12 or fewer months.
- *Department of Justice*. The Department expects to distribute \$15.2 million total funds to cities and counties for crime victim assistance. These funds come from the Criminal Fines Account and penalties levied against defendants who were found guilty of committing certain crimes by the courts. The main programs responsible for the transfers include Prosecutor-based Victim Assistance Programs, Federal Victims of Crime Act Program, Child Abuse Multidisciplinary Intervention Program, and the Federal Violence Against Women Act. The Department also expects to distribute \$27.8 million total funds to counties to fund District Attorney (DA) costs of the Child Support Program.
- *Oregon Department Emergency Management (ODEM)*. The 9-1-1 Emergency Telephone Program, federal grants for emergency planning and management, homeland security, and hazard mitigation are distributed from the Department. ODEM's total funding for local government is \$298.1 million for counties and \$340.6 million for cities.
- *Oregon Youth Authority*. The Oregon Youth Authority provides funds to juvenile departments to purchase services designed to prevent youth from re-offending and to provide focused gang-related programs. The amount is \$27.5 million General Fund.
- *Department of Public Safety Standards and Training*. The Department certifies and trains city and county police officers and state and local corrections, parole and probation, telecommunications and emergency medical dispatchers. It also certifies and provides training for volunteer and professional firefighters. The budget covers continued provision of these services, at no cost to the sending governments or students. In addition, the Department administers the federally funded High Intensity Drug Trafficking Area funding, which is used to provide support for a variety of law enforcement initiatives aimed at targeting and disrupting drug trafficking activities in Oregon and Idaho.

### Transportation Program Area

The Transportation Program Area distributions make up six percent of total shared services, or \$1,786.1 million total funds.

- Department of Transportation. Cities and counties throughout Oregon receive State Highway Fund revenue for roads, bridges, culverts, and tunnel construction and maintenance. Local transit providers receive public transportation funding from the Statewide Transportation Improvement Fund, generated by the payroll tax established in House Bill 2017 (2017). Finally, through Connect Oregon grant program, the Department provides vehicle privilege tax funding to local governments for rail, aviation, and maritime transportation projects that support efficient movement of people and freight via non-highway modes.
- Department of Aviation. Through the Aviation System Action program, the Department provides grants to airports throughout the state for economic development, Federal Aviation Administration grant match, and emergency preparedness. The program also assists with funding of commercial air service to rural Oregon and also assists with funding for safety improvement at state owned airports.

# CAPITAL BUDGETING

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## CAPITAL BUDGETING

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### Bonded Debt Profile

#### DEBT STRUCTURE AND AUTHORITY

The state of Oregon's borrowing programs consist of many different and separate authorizations, including both constitutional and statutory provisions. Constitutional authorizations permit issuance of general obligation bonds that are backed by the full faith and credit of the state. Statutory authorizations provide for the issuance of revenue bonds and conduit revenue bonds backed by specified program revenues. The state can also issue appropriation credits, including Certificates of Participation (COPs) authorized in ORS Chapter 283 and appropriation bonds, which were authorized by Senate Bill 856 (2003). Though neither of these programs are currently in use, both appropriation bonds are special limited obligations payable solely from funds appropriated by the Legislative Assembly. In addition to these constitutional and statutory limits, the Legislative Assembly approves the volume of bonds and finance agreements that may be issued under each authorization during a given biennium through the budgetary process.

The state's general obligation bond authority is based on the Real Market Value (RMV) of all taxable property in Oregon. As of January 1, 2023, the most recent certification, the statewide RMV was \$1,023.3 billion. Most constitutionally authorized general obligation bond programs have an issuance ceiling based on a percentage of RMV, ranging from approximately 0.2 to 8.0 percent as shown in Table B. On June 30, 2024, the total general obligation debt was approximately \$7.7 billion. Of the outstanding general obligation debt, 71 percent is General Fund supported and 29 percent is self-supporting, as debt service is paid from various program revenues rather than from General Fund revenues.

The state works to structure the repayment of outstanding general obligation debt conservatively. As of June 30, 2024, approximately 39 percent of the outstanding general obligation debt matures in five years, with the entire debt maturing in 30 years. The current maturity structure is affected most significantly after fiscal year 2027, when required principal payments for existing pension obligation bonds end. Principal and interest payments for the next 30 years are shown in Table D.

#### CURRENT 2023-25 BIENNIUM ISSUANCE

The state is expecting to issue approximately \$2.1 billion of General Fund general obligation bonds during the 2023-25 biennium. This represents a \$643 million increase over the 2021-23 biennium. The net increase is primarily driven by an increase in the amount of general obligation bonds issued. These increases are highest in Article XI-G used to acquire, construct, improve, and repair higher education institutions or community colleges; Article XI-P used to provide matching funds to finance capital costs of school districts; and Article XI-Q used to finance state-owned or state-operated capital assets. The amount of bonds expected to be issued in 2023-25 by bond program is shown in Table A.

## HIGHLIGHTS OF RECOMMENDED 2025-27 BIENNIUM ISSUANCE AUTHORITY

Each biennium, the Governor recommends the maximum amount of debt state agencies may issue, as required by ORS 286A.035. When determining the prudent debt capacity for the biennium, the Governor's budget takes into consideration debt capacity limits as recommended by the State Debt Policy Advisory Commission (SDPAC) for both General Fund supported debt and Lottery Revenue bonds, as well as any capacity carryforward to determine total available capacity. For the 2025-27 biennium, the Governor's budget includes authority to issue \$2.2 billion of General Fund supported debt and \$570.9 million of Lottery Funds supported debt. The Governor's recommendation for bond issuance authority for all programs is presented in Table A.

The state's capacity to issue General Fund supported debt is higher than the prior biennium due to improved long-term growth estimates for General Fund revenue and the impact of lower debt service requirements after the Pension Obligation Bonds are paid off in fiscal year 2027. Additionally, the capacity to issue Lottery Bonds is higher than the prior biennium, due to a rebound in Lottery Revenues related to video lottery sales. Below are some highlights of projects recommended for bond financing with General Fund and Lottery Funds supported debt.

- A significant investment of \$1.1 billion to help meet affordable housing needs through the Local Innovation and Fast Track (LIFT), permanent supportive housing and affordable housing preservation programs.
- \$440 million in investments in grant programs administered by the Oregon Business Development Department supporting housing and economic development, including \$100 million for a Housing Infrastructure Fund, \$30 million for Child Care Facility Capacity grants, \$10 million to support County Fairs, and \$60 million to recapitalize the Special Public Works Fund.
- Over \$540 million to state agencies for capital construction projects, including funding for deferred maintenance.

In addition to the General Fund supported and Lottery Bond projects described above, the bond bill also includes amounts for self-supporting projects and bond programs. The recommended budget includes an additional \$500 million in authorization for the Oregon Housing and Community Services revenue bond programs, including the Single-Family and Multi-Family Housing program and Housing Development bond program. A full list of authorizations by bond program is included in Table A.

## CREDIT RATING CONSIDERATIONS

The state of Oregon continues to be regarded by the capital markets as a well-managed issuer of debt, with current ratings of the state's general obligation debt of AA+, Aa1, and AA+ by S&P Global Ratings, Moody's Investors Service, and Fitch Ratings, respectively. The Lottery Revenue Bond program also continues to garner strong credit ratings of AAA, AAA, and Aa2 by S&P Global Ratings, Kroll Bond Rating Agency, and Moody's Investors Service, respectively. Several factors are cited by the ratings agencies in maintaining Oregon's strong credit position. These include sound financial controls underscored by strong executive ability to reduce spending, maintenance of budget reserves, and moderate unfunded pension liabilities. Credit challenges include heavy reliance on volatile income tax, the "kicker" law, which



restricts the state's ability to manage income volatility, and uncertainty created by the voter initiative process.

## INTEREST RATES

Oregon bond issuers typically pay lower interest costs when issuing tax-exempt municipal bonds in comparison to their national counterparts, due to their exemption from both federal and state income taxes and given that Oregon is a relatively high-income tax state. Interest rates increased significantly during fiscal year 2024, ending the year with a 3.62 percent rate for the 20-year Oregon Bond Index for Aa-rated debt issues. Prior to the interest rate increases, the state had taken advantage of the low interest rate environment to refinance existing debt at lower rates where permissible, achieving millions of dollars in debt service savings.

## State of Oregon Active Borrowing Programs

As previously noted, the state's borrowing programs include general obligation bonds (General Fund supported and self-supporting), revenue bonds (direct revenue and conduit), and appropriation credits. A description of each active authorization follows; inactive programs with no bonds outstanding and no issuance recommended are not included. Refer to Table B for constitutional and statutory debt limits as well as amounts outstanding on June 30, 2024.

### GENERAL OBLIGATION AUTHORIZATIONS – GENERAL FUND AND SPLIT SUPPORT

**ODOT Highway Improvement Projects – Article XI, Section 7.** This article prohibits the Legislative Assembly from authorizing debt in excess of \$50,000 other than for noted exceptions, one of which is to incur debt to build and maintain permanent roads. Outstanding bonds were issued to finance highway improvement projects. As of June 30, 2024, \$25.1 million of bonds were outstanding, all of which was General Fund supported.

**Higher Education Institutions and Community Colleges – Article XI-G.** Under Article XI-G of the Oregon Constitution, the state may issue general obligation bonds to acquire, construct, improve, repair, and furnish buildings, structures, and land, which the Legislative Assembly determines will benefit higher education institutions or community colleges. The bond proceeds fund grants to public universities, community colleges, and the Oregon Health and Science University (OHSU), and each grant recipient must certify it has matching funds available for the project. The bonds are repaid with General Fund appropriations and, in addition, are secured by the authority for an unlimited ad valorem tax levied on all taxable property in the state. Total debt outstanding on June 30, 2024, was \$905.1 million of which \$676.0 million relates to public universities, and \$229.0 million relates to community colleges.

**Pollution Control – Article XI-H.** Article XI-H authorizes debt issuance to finance pollution control facilities for any municipal corporation, city, county, or agency of the state. The bonds may be either General Fund supported or self-supporting from revenues generated by the program the bonds finance. Bonds issued to clean up "orphan sites" are primarily General Fund supported and Clean Water State Revolving Fund bonds are primarily Other Funds supported. On June 30, 2024, \$20.9 million in Pollution

Control bonded debt was outstanding; of this, \$9.8 million (47 percent) was self-supported and \$11.1 million (53 percent) was General Fund supported.

Under the Constitution, \$10.2 billion in pollution control bonds could be issued; however, the Legislature has limited the debt that may be issued under this authorization to \$260 million (ORS 468.195). This occurred, in part, because voters approved expanded use of this bonding authority in 1990 for pollution control and disposal activities and exempted pollution control, disposal, and hazardous substance facilities from the self-supporting requirement.

**Alternate Energy Projects – Article XI-J.** This article authorizes debt issuance to provide loans for development of small-scale local energy projects. Approximately 56 percent of outstanding bonds are General Fund supported while the remaining 44 percent are supported from project revenue streams. On June 30, 2024, outstanding bonds totaled \$72.9 million. Of the total outstanding, \$32.1 million (44 percent) is self-supported and \$40.8 million (56 percent) is General Fund supported. Due to a history of loan defaults, this program has needed additional General Fund to cover a portion of self-supporting debt service.

**Seismic Rehabilitation – Article XI-M/XI-N.** Article XI-M authorizes the state to incur debt to finance seismic rehabilitation of public education buildings. This includes buildings owned by a public university, a school district, an education service district, or a community college district. Article XI-N authorizes the state to incur debt to finance seismic rehabilitation of public emergency services buildings such as hospitals, fire stations, and police stations used by a state, county, district, or municipal law enforcement agency. As of June 30, 2024, \$399.6 million in XI-M (public education buildings) and \$117.5 million in XI-N (emergency service buildings) bonds were outstanding.

**Pension Obligation Bonds – Article XI-O.** Article XI-O permits the state to incur debt to finance its pension liabilities. The article requires the state to pledge its full faith and credit and taxing power to pay such debt but does not permit the state to pledge its ad valorem taxing power. House Bill 3659 (2003), the implementing legislation for issuance of Oregon's Pension Obligation Bonds, required the net proceeds of the bonds to be deposited in the Public Employees Retirement Fund. As of June 30, 2024, \$712.9 million remains outstanding. Of this amount, \$427.7 million (60 percent) is considered self-supporting debt and \$285.1 million (40 percent) is considered General Fund supported debt. The state does not currently anticipate issuing new XI-O Bonds.

**School District Capital Costs – Article XI-P.** Article XI-P authorizes debt issuance to provide matching funds to finance the capital costs of school districts that have received voter approval for local general obligation bonds. Grants are distributed through the Oregon School Capital Improvement Matching grant program. Given the condition of many school district facilities and the anticipated demand for matching grant monies, this program may use a significant portion of the state's General Fund debt capacity in future biennia. On June 30, 2024, \$315.4 million of XI-P bonds were outstanding.

**State Real and Personal Property – Article XI-Q.** Article XI-Q bonds may be issued to acquire, construct, remodel, equip, or furnish real or personal property that is or will be owned or operated by the state, including infrastructure related to the property. This program is centrally administered by the Oregon Department of Administrative Services and is the primary borrowing program used by state

agencies for facility improvements and information technology projects. On June 30, 2024, \$3.7 billion in XI-Q bonds were outstanding, of which \$3.4 billion (90 percent) is General Fund supported and \$372.3 million (10 percent) is self-supporting debt.

## FULLY SELF-SUPPORTING AUTHORIZATIONS

**Veterans' Affairs – Article XI-A.** Under this article, the state may issue debt to finance farm and home loans for eligible veterans. These bonds are self-supporting from loan repayments but carry the additional security of the Legislature's ability to levy an annual statewide property tax. On June 30, 2024, the Department of Veterans' Affairs had \$414.9 million in outstanding bonds.

**Higher Education – Article XI-F(1).** Article XI-F(1) allows the state to issue bonds for higher education building projects. Under the framework provided in ORS 286A.830 – 286A.863, the state uses bond proceeds to fund loans to public universities, and the loan repayments from universities are used by the state to pay debt service on the bonds. Therefore, bonds issued under this authority are self-supporting. If necessary, a statewide property tax may be used to provide for payment of this debt. On June 30, 2024, \$964.7 million of debt was outstanding.

**Elderly and Disabled Housing – Article XI-I(2).** The state may issue bonds to provide financing for multi-family housing for elderly low-income persons and for disabled persons. The Elderly and Disabled Housing program debt is self-supporting from project revenues and is backed by the state's general obligation pledge, which includes property taxing authority. As of June 30, 2024, approximately \$19.0 million of debt was outstanding.

## ACTIVE REVENUE BOND AUTHORIZATIONS

**Single-Family and Multi-Family Housing.** The Oregon Housing and Community Services Department may issue revenue bonds to finance both single-family mortgage loans and multi-family housing projects. The sources of repayment for these bonds are pledged rental revenues, mortgage payments, and fees. ORS 456.661 limits total outstanding debt under these programs to \$2.5 billion. As of June 30, 2024, \$1.1 billion was outstanding.

**Highway User Tax.** The Oregon Department of Transportation may issue highway user tax revenue bonds to provide proceeds for building and maintaining permanent public roads pursuant to Article IX, Section 3a of the Oregon Constitution, ORS 367.605 to 367.665, and ORS Chapter 286A. These bonds are not general obligation bonds; however, they are unlike other state revenue bonds because they are secured by tax proceeds from fuel sales and various other taxes, or fees charged for vehicle use and licensing. The Constitution requires the revenues received to be used exclusively for public highways, roads, streets, and roadside rest areas in the state. The total statutory authorization for Highway User Tax bonds is approximately \$3.7 billion. On June 30, 2024, approximately \$2.3 billion of bonds were outstanding.

**Grant Anticipation Revenue Vehicle Bonds.** The Oregon Department of Transportation may issue grant anticipation revenue bonds for the purposes of financing highway improvement projects that are qualifying projects for which the Department may use federal transportation funds, under ORS 367.161 to ORS 367.181. Issuance of grant anticipation revenue bonds are subject to the provisions of ORS

Chapter 286A, are not general obligation bonds, and are payable from federal transportation funds, or funds affirmatively pledged at the time of issuance from the State Highway Fund. On June 30, 2024, approximately \$230 million of bonds were outstanding.

**Business Development Department Bond Bank.** The Oregon Business Development Department administers the Oregon Bond Bank, which includes the Special Public Works Fund (SPWF) and the Water Fund programs. Revenue bonds may be issued to finance SPWF loans to municipalities for construction and improvement of water, wastewater, and other local infrastructure as authorized by ORS 285B.467 to 285B.479. Under the Water Fund program, loans are provided to municipalities for safe drinking water projects and wastewater systems improvement projects as authorized by ORS 285B.572 to 285B.599. In general, borrowers from the Oregon Bond Bank have pledged sources of repayment related to the project being financed, such as water or sewer system revenues. The amount of bonds outstanding as of June 30, 2024, was \$48.5 million.

**Lottery Revenue Bonds.** In 1994, Oregon became the first state in the nation to issue revenue bonds backed solely by lottery gaming revenues. ORS 286A.560 to 286A.585 authorize the issuance of bonds and establish the framework for the Lottery Revenue Bond program, which is administered by the Oregon Department of Administrative Services. Issuance of additional Lottery Revenue bonds is authorized through legislation as part of the budgetary process; the purposes, projects to be financed, and amount that may be issued are specified in the legislation. Although the maximum amount of debt that can be issued is not set by statute, the master indenture under which bonds are issued require an “additional bonds test” to ensure both historical and projected net lottery proceeds provide coverage of four times the maximum annual debt service on all outstanding bonds.

As specified in Article XV(4), lottery proceeds may be used for creating jobs, furthering economic development, financing public education in Oregon or restoring and protecting Oregon’s parks, beaches, watersheds and native fish and wildlife. Proceeds from Lottery Revenue bonds have been used for a variety of purposes including infrastructure improvements, state parks, expansion and refurbishment of school facilities, non-highway transportation infrastructure, watershed enhancements, development of affordable housing, and other purposes. The amount of outstanding Lottery Revenue bonds as of June 30, 2024, was \$1.3 billion, or about 26 percent of all direct revenue-bonded debt.

## CONDUIT REVENUE BONDS

**Oregon Facilities Authority Bonds – ORS Chapter 289.** The Oregon Facilities Authority (OFA) is empowered to issue bonds to assist with financing lands for health, housing, educational, and cultural uses and for construction and financing of facilities for such uses. The OFA reviews proposed projects and makes recommendations to the State Treasurer whether to issue bonds, which are secured solely by payments from entities for which projects were financed. All bonds issued by OFA are “conduit” or “pass-through” revenue bonds, which means the bonds do not constitute a liability of the state of Oregon, and no state revenues are pledged to repay the bonds. Also, there is no recourse to the state for payment if any entities are unable to meet debt servicerequirements. As of June 30, 2024, \$1.9 billion in bonds were outstanding.

**Housing Development Bonds – ORS 456.692.** The Oregon Housing and Community Services Department is authorized to issue conduit revenue bonds for the Housing Development Program. This

multi-family housing program provides financing for developments in which a specified number of units are provided to low income households. Each bond issue finances a single development that is separately secured by revenues and assets pledged by the borrower. Like other state conduit revenue bond programs, as noted above, there is no recourse to the state for payment if the borrower is unable to meet debt service requirements. Bonds outstanding were \$1.3 billion as of June 30, 2024.

**Industrial Development Bonds – ORS 285B.320 to 285B.371.** The Oregon Business Development Department is authorized to issue conduit revenue bonds for the Industrial Development Bonds program. Bond proceeds are loaned to private businesses to finance eligible manufacturing and solid waste disposal projects. The bonds are secured solely by payments from private businesses on whose behalf the bonds are issued. As of June 30, 2024, \$273.1 million of bonds were outstanding.

**Beginning and Expanding Farmer Loan Program – ORS 285B.320 to 285B.371.** The Oregon Business Development Department is authorized to issue conduit revenue bonds for the Beginning and Expanding Farmer Loan program to provide loans to beginning farmers to finance various agricultural projects. The bonds are secured solely by revenues of the agricultural project. There were no bonds outstanding as of June 30, 2024, but an authorization of \$2.0 million is included in the recommended budget for the 2025-27 biennium.

## APPROPRIATION CREDITS

ORS 283.085 to 283.092 allows the state to enter into financing agreements including lease purchase agreements, installment sales agreements, and loan agreements to finance real or personal property and issue Certificates of Participation (COPs) evidencing these financing agreements, subject to legislative approval. The principal amounts of such financing agreements are subject to maximum biennial issuance levels established by the Legislature.

COPs are not debt and therefore cannot include a pledge of the state's full faith and credit. Instead, they are payable solely from funds appropriated or otherwise made available by the Legislative Assembly and therefore are considered an appropriation credit. Due to the superior credit of a general obligation bond over an appropriation credit, Article XI-Q bonds have essentially replaced COPs as the primary method of financing state owned or operated real or personal property. In addition, the state has taken advantage of historically low interest rates by refinancing outstanding COPs with XI-Q bonds, where possible, to achieve debt service savings. As of June 30, 2024, \$81.6 million in COPs remained outstanding.

## Capital Financing Six-Year Forecast

ORS 291.216 requires the Governor's budget to compare state agency capital financing needs to the State Debt Policy Advisory Commission's (SDPAC) six-year estimate of debt capacity, which is shown in Table F. The capital financing needs are in three categories: capital construction, equipment and technology, and grants and loans. Capital financing needs beyond 2025-27 are projections of agency needs, subject to change in the future. In the January 2024 SDPAC report, the debt capacity estimate was \$6.5 billion General Fund supported debt and \$1.6 billion Lottery debt for the six-year period 2025-27 through 2029-31.



The estimates in Table F reflect changes in debt capacity based on the December 2024 revenue forecast using the SDPAC model, applying a smoothed approach over the six-year period. For the 2025-27 biennium, the recommended debt capacity is \$2.3 billion for General Fund supported debt and \$571.0 million for Lottery Funds supported debt.

Net tax supported debt includes three components: 1) General Fund supported debt; 2) Lottery Revenue Bond program; and 3) certain Transportation Department bonds. There are specific debt capacity estimates only for General Fund supported debt programs and the Lottery Revenue Bond program. The Department of Transportation net tax supported bond capacity is limited by Oregon law and in Article XI, Section 7 of the Constitution. The SDPAC also does not provide capacity estimates for Non-Tax-Supported Debt Programs since debt capacity is based on legal limits in Oregon laws and the Constitution, sound program management, loan demand, need for capital projects, and appropriate reviews by the State Treasurer, the Governor, and the Legislative Assembly. Table F shows projected debt issuance only for Non-Tax-Supported Debt Programs. Conduit revenue bond programs are excluded from the table, as the SDPAC does not make specific capacity estimates for conduit revenue bonds.

## Private Activity Bond Volume Cap

The Tax Reform Act of 1986 imposed a state-by-state volume cap on certain “private activity bonds.” The Private Activity Bond (PAB) Committee is a statutory body consisting of its Chair, a representative of the Office of the State Treasurer; a public member appointed by the Governor; and a representative of the Department of Administrative Services. The PAB Committee is charged with re-allocating a portion of the state’s PAB authority to various state and local issuers as appropriate under its rules and governing federal and state law. The Debt Management Division in the Office of the State Treasurer serves as staff to the PAB Committee.

The budget recommends allocation of private activity volume cap for calendar years 2026 and 2027, as shown in the chart below. Projected volume cap authorizations for each calendar year are calculated at a rate of \$130 (per IRS guidance) multiplied by the estimated Oregon population as of July 1, 2023. If an increase in the state's population, a sufficient increase in the Consumer Price Index, or a change in federal tax law result in an increase of the private activity bond limit greater than the total noted below, such excess will be allocated to the PAB Committee.

Allocation Type	CY 2026	CY 2027
Housing and Community Services Department	450,000,000	450,000,000
Beginning and Expanding Farmer Loan Program (OBDD)	1,000,000	1,000,000
Industrial Development Bonds (OBDD)	40,000,000	40,000,000
Private Activity Bond Committee	59,336,540	59,336,540
<b>Total</b>	<b>\$ 550,336,540</b>	<b>\$ 550,336,540</b>

If an increase in the state's population, a sufficient increase in the Consumer Price Index, or a change in federal tax law result in an increase in the private activity bond limit above \$550,336,540, such excess shall be allocated to the Private Activity Bond Committee.

Table A. Recommended Bond Issuance Authorization

Program Designation	2021-23 Actual New Money Issuance	2023-25 Estimated New Money Issuance	Recommended 2025-27 Maximum Limit
<b>General Obligation Bonds (Constitutional Authority)</b>			
<b>General Fund Obligations</b>			
HECC Public Universities (Art. XI-G)	36,770,000	84,660,000	85,660,000
HECC Community Colleges (Art. XI-G)	30,945,000	74,955,000	20,215,000
Department of Environmental Quality (Art. XI-H)	4,698,410	10,333,333	10,333,333
Business Development Department (Art. XI-M)	94,330,000	100,885,000	100,910,000
Business Development Department (Art. XI-N)	40,375,000	50,570,000	50,580,000
Department of Education (Art. XI-P)	85,425,000	100,885,000	108,860,000
Department of Administrative Services (Art. XI-Q)	1,132,130,000	1,393,562,272	1,585,083,296
Department of Transportation (Art. XI, Section 7)	-	251,825,000	251,825,000
<b>Total General Fund Obligations</b>	<b>1,424,673,410</b>	<b>2,067,675,605</b>	<b>2,213,466,629</b>
<b>Dedicated Fund Obligations</b>			
Department of Veterans' Affairs (Art. XI-A)	130,230,000	109,023,670	116,000,000
Higher Education Coordinating Commission (Art. XI-F(1))	71,165,000	26,520,000	138,670,000
Department of Environmental Quality (Art. XI-H)	-	20,080,000	20,080,000
Housing and Community Services Department (Art. XI-I(2))	-	-	50,000,000
Department of Administrative Services (Art. XI-Q)	194,025,000	125,652,638	175,896,704
<b>Total Dedicated Fund Obligations</b>	<b>395,420,000</b>	<b>281,276,308</b>	<b>500,646,704</b>
<b>TOTAL ALL GENERAL OBLIGATION BONDS</b>	<b>\$ 1,820,093,410</b>	<b>\$ 2,348,951,913</b>	<b>\$ 2,714,113,333</b>
<b>Revenue Bonds</b>			
<b>Direct Revenue Bonds</b>			
Housing & Community Services Single/Multi-Family Housing	103,183,154	335,870,000	500,000,000
Department of Transportation Highway User Tax	429,125,000	-	850,000,000
Department of Transportation Grant Anticipation Revenue Vehicle	-	230,510,000	345,000,000
Business Development Department Oregon Bond Bank	-	30,000,000	30,000,000
Department of Administrative Services Lottery Revenue Bonds	439,935,000	528,330,000	570,890,000
<b>Total Direct Revenue Bonds</b>	<b>972,243,154</b>	<b>1,124,710,000</b>	<b>2,295,890,000</b>
<b>Pass-Through Revenue Bonds</b>			
Business Development Dept Industrial Development Bonds	-	39,500,000	600,000,000
Business Development Beginning & Expanding Farmer Loans	-	-	2,000,000
Oregon Facilities Authority	151,957,000	-	1,000,000,000
Housing Development Bonds	1,039,663,669	1,015,866,275	1,300,000,000
<b>Total Pass-Through Revenue Bonds</b>	<b>1,191,620,669</b>	<b>1,055,366,275</b>	<b>2,902,000,000</b>
<b>TOTAL ALL REVENUE BONDS</b>	<b>\$ 2,163,863,823</b>	<b>\$ 2,180,076,275</b>	<b>\$ 5,197,890,000</b>
<b>Certificates of Participation &amp; Other Financing Agreements</b>			
Department of Administrative Services	\$ 22,450,746	\$ 100,000,000	\$ 13,037,910



Table B. Outstanding Bonds and Authorizations

Purpose/Department	Constitutional or Statutory Provision	% Real Market Value {1}
<b>General Obligation Bonds</b>		
<b>General Fund Supported</b>		
General Purpose Bonds {2}	Article XI, Sec 7	0.0000%
ODOT Highway Improvement Projects	Article XI, Sec 7	1.0000%
State Power Development Bonds	Article XI-D	1.5000%
Forest Rehabilitation Bonds	Article XI-E	0.1875%
Higher Education & Community Colleges Facilities {4}	Article XI-G	0.7500%
Pollution Control Bonds (53% of total)	Article XI-H/ORS 468.195	1.0000%
Alternate Energy Project Bonds (56% of total)	Article XI-J	0.5000%
Oregon Opportunity Bonds {5}	Article XI-L	0.5000%
Seismic Retrofit - Public Education Buildings	Article XI-M	0.2000%
Seismic Retrofit - Emergency Service Buildings	Article XI-N	0.2000%
Pension Obligation Bonds (40% of total)	Article XI-O	1.0000%
School District Capital Costs	Article XI-P	0.5000%
State Real and Personal Property (90% of total)	Article XI-Q	1.0000%
<b>Total General Fund Supported</b>		
<b>Self-Supporting</b>		
Veterans' Welfare Bonds	Article XI-A	8.0000%
Higher Education Facility Projects	Article XI-F(1)	0.7500%
Pollution Control Bonds (47% of total)	Article XI-H/ORS 468.195	1.0000%
Water Development Projects Bonds	Article XI-I(1)	1.5000%
Elderly & Disabled Housing Bonds	Article XI-I(2)	0.5000%
Alternate Energy Project Bonds (44% of total)	Article XI-J	0.5000%
Pension Obligation Bonds (60% of total)	Article XI-O	1.0000%
State Real and Personal Property (10% of total)	Article XI-Q	1.0000%
<b>Total Self-Supporting</b>		
<b>Total General Obligation Bonds</b>		
<b>Revenue Bonds</b>		
Single & Multi-Family Housing Programs	ORS 456.661	
ODOT Highway User Tax {6}	ORS 367.620	
ODOT Transportation Infrastructure Bank	ORS 367.030	
Business Development Bond Bank	ORS Chapter 285B	
Lottery Revenue Bond Program	ORS 286A.560-585	
<b>Total Revenue Bonds</b>		
<b>Conduit Revenue Bonds</b>		
Oregon Facilities Authority	ORS Chapter 289	
Multi-family Housing Programs (OHCS)	ORS 456.692	
Industrial Development Revenue Bonds (OBDD)	ORS Chapter 285B	
Beginning & Expanding Farmer Loans (OBDD)	ORS 285A.420-435	
<b>Total Conduit Revenue Bonds</b>		
<b>Appropriation Credits</b>		
Certificates of Participation (COP)	ORS Chapter 283 & 286A	
Oregon Appropriation Bonds	SB 856 - 2003 Legislature	
<b>Total Appropriation Credits</b>		

Source: Oregon State Treasury, Debt Management Division.

**NOTE:** Excludes Appropriation Credits. Totals may not agree with sum of components due to rounding. Authorization remaining is not applicable to all programs.

Percentages listed are of Real Market Value (RMV) of all taxable real property in the state; the January 1, 2023, RMV was \$1,023,252,357,141.

The State of Oregon may not incur indebtedness exceeding \$50,000 without a constitutional amendment approved by the voters.

Table B. Outstanding Bonds and Authorizations (cont.)

Constitutional Debt Limit {1}{2}	Statutory Debt Limit	Amount Outstanding {3}	Authorization Remaining
50,000	-	-	50,000
10,232,523,571		25,125,000	10,207,398,571
15,348,785,357		-	15,348,785,357
1,918,598,170		-	1,918,598,170
7,674,392,679		905,075,000	6,769,317,679
5,423,237,493	119,600,000	11,082,300	5,412,155,193
2,865,106,600		40,801,600	2,824,305,000
5,116,261,786	203,175,000		5,116,261,786
2,046,504,714		399,625,000	1,646,879,714
2,046,504,714		117,520,000	1,928,984,714
4,093,009,428		285,148,000	3,807,861,428
5,116,261,786		315,430,000	4,800,831,786
9,209,271,214		3,350,970,000	5,858,301,214
		<b>5,450,776,900</b>	<b>65,639,730,612</b>
81,860,188,571		414,880,000	81,445,308,571
7,674,392,679		964,685,000	6,709,707,679
4,809,286,078	140,400,000	9,827,700	4,799,458,378
15,348,785,357		-	15,348,785,357
5,116,261,786		19,030,000	5,097,231,786
2,251,155,186		32,058,400	2,219,096,786
6,139,514,143		427,722,000	5,711,792,143
1,023,252,357		372,330,000	650,922,357
		<b>2,240,533,100</b>	<b>121,982,303,057</b>
		<b>\$ 7,691,310,000</b>	<b>\$ 187,622,033,669</b>
	2,500,000,000	1,103,735,000	1,396,265,000
	3,720,000,000	2,539,415,000	1,180,585,000
	200,000,000	-	200,000,000
		48,450,000	-
		1,311,650,000	-
		<b>\$ 5,003,250,000</b>	<b>N/A</b>
		1,852,267,343	-
		1,336,171,477	-
		273,111,389	-
		-	-
		<b>\$ 3,461,550,209</b>	<b>N/A</b>
		81,590,000	-
	431,560,000	-	431,560,000
		<b>\$ 81,590,000</b>	<b>\$ 431,560,000</b>

1. Excludes refunded and defeased bonds.

XI-G outstanding amount includes \$676M for Public Universities, \$229M for Community Colleges.

2. Authorized to finance capital costs of Oregon Health and Science University biotechnology research efforts.

3. ODOT Highway User Tax outstanding amount includes \$2.31B for Highway Bonds and \$230M for GARVE Bonds.

## Table C. General Obligation Debt Summary

	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Gross General Obligation (GO) Debt {1}	\$ 6,431,005,504	\$ 6,479,421,539	\$ 6,722,860,187	\$ 6,813,935,000	\$ 7,507,535,000
Revenue Supported GO Debt	\$ 2,682,610,185	\$ 2,611,108,408	\$ 2,395,385,033	\$ 2,370,406,650	\$ 2,335,912,500
Net GO Debt	\$ 3,748,395,319	\$ 3,868,313,131	\$ 4,327,475,154	\$ 4,443,528,350	\$ 5,171,622,500
Population {2}	4,214,664	4,243,791	4,266,584	4,294,500	4,313,700
Gross Debt per Capita	\$1,526	\$1,527	\$1,576	\$1,587	\$1,740
Net Debt per Capita	\$889	\$912	\$1,014	\$1,035	\$1,199
Real Market Value [RMV] {3}	\$ 676,875,118,712	\$ 715,796,909,641	\$ 756,746,704,516	\$ 823,693,769,305	\$ 1,023,252,357,141
Gross Debt as Percent of RMV	0.95%	0.91%	0.89%	0.83%	0.73%
Net Debt as Percent of RMV	0.55%	0.54%	0.57%	0.54%	0.51%
Total Personal Income {4}	\$ 211,541,630,000	\$ 222,256,958,000	\$ 241,790,308,000	\$ 261,546,508,000	\$ 276,624,148,000
Revenue Supported GO Debt as Percent of Total Personal Income	1.27%	1.17%	0.99%	0.91%	0.84%
Net GO Debt as Percent of Total Personal Income	1.77%	1.74%	1.79%	1.70%	1.87%

Source: State Treasury, Debt Management Division.

1. See Table B for detail of programs and amounts pertaining to revenue supported GO debt vs. net GO debt as of June 30, 2024.
2. Population figures are as of July 1 each year. Source: Department of Administrative Services, Office of Economic Analysis.
3. Real Market Value is as of January 1 of the preceding year. Source: Oregon Department of Revenue.
4. Personal income is on a calendar year basis for preceding year. Source: Dept. of Administrative Services, Office of Economic Analysis

Table D. Aggregate General Obligation Debt Service

Fiscal Year	Principal	Interest	Total Requirements
2025	618,840,000	334,037,583	952,877,583
2026	652,315,000	306,578,354	958,893,354
2027	674,530,000	276,717,857	951,247,857
2028	409,535,000	245,247,204	654,782,204
2029	412,170,000	229,223,132	641,393,132
2030	406,555,000	212,691,768	619,246,768
2031	399,350,000	196,239,083	595,589,083
2032	392,200,000	179,557,861	571,757,861
2033	388,380,000	162,846,782	551,226,782
2034	396,115,000	145,872,604	541,987,604
2035	391,195,000	128,448,766	519,643,766
2036	385,265,000	111,124,641	496,389,641
2037	355,565,000	94,288,288	449,853,288
2038	326,070,000	78,806,886	404,876,886
2039	316,680,000	64,442,047	381,122,047
2040	267,445,000	51,027,926	318,472,926
2041	247,280,000	39,614,636	286,894,636
2042	215,795,000	28,558,469	244,353,469
2043	145,505,000	18,932,003	164,437,003
2044	92,845,000	12,546,295	105,391,295
2045	41,565,000	8,826,453	50,391,453
2046	34,160,000	7,098,785	41,258,785
2047	31,570,000	5,525,957	37,095,957
2048	25,310,000	4,117,411	29,427,411
2049	14,520,000	2,907,043	17,427,043
2050	11,800,000	2,290,689	14,090,689
2051	11,575,000	1,739,258	13,314,258
2052	10,905,000	1,186,953	12,091,953
2053	8,975,000	660,985	9,635,985
2054	6,375,000	236,864	6,611,864
2055	920,000	21,275	941,275
<b>TOTAL</b>	<b>\$ 7,691,310,000</b>	<b>\$ 2,951,413,857</b>	<b>\$ 10,642,723,857</b>

**NOTE:** Totals may not agree with sum of components due to rounding.

Source: Oregon State Treasury, Debt Management Division.

Table E. Summary of Debt Service Requirements for State Bonded Indebtedness by Fund

<b>Description</b>	<b>2021-23 Actuals</b>	
	<b>TOTAL</b>	<b>COPS</b>
<b>General Fund Supported</b>		
Human Services, Dept. of	23,405,352	-
Administrative Svcs, Dept of	8,231,083	-
Oregon Business Development Department	73,071,566	-
Justice, Dept of	8,323,016	-
Revenue, Dept of	6,224,829	-
Legislative Administration Committee	26,844,092	-
Judicial Dept	26,052,369	-
Military Dept, Oregon	12,147,074	-
Police, Dept of State	2,491,147	-
Emergency Management, Oregon Dept of	1,566,767	-
Public Safety Standards & Training, Dept of	9,107,624	-
Veterans' Affairs, Oregon Dept of	371,655	-
Corrections, Dept of	96,051,501	115,835
Environmental Quality, Dept of	5,653,552	-
Public Defense Svcs Comm	-	-
Oregon Youth Authority	13,365,146	-
Oregon Health Authority	60,278,387	-
Higher Education Coordinating Commission	263,537,419	-
Education, Dept of	46,685,899	-
Agriculture, Oregon Dept of	-	-
Forestry, Dept of	15,777,046	14,586,021
Parks & Recreation Dept	2,138,056	-
Fish & Wildlife, Oregon Dept of	2,061,861	-
Transportation, Oregon Dept of	18,370,647	2,086,908
Housing & Community Svcs Dept	66,822,093	-
<b>Total General Fund Supported</b>	<b>\$788,578,181</b>	<b>\$16,788,764</b>

<i>2023-25 Leg Approved Budget</i>		<i>2025-27 Governor's Budget</i>	
<i>TOTAL</i>	<i>COPS</i>	<i>TOTAL</i>	<i>COPS</i>
10,860,670	-	10,107,625	-
5,559,290	-	3,732,186	-
101,570,704	-	117,774,815	-
908,250	-	-	-
4,459,399	-	5,233,018	-
42,972,527	-	58,039,936	-
56,487,870	-	51,607,494	-
12,862,750	-	14,870,532	-
21,285,474	-	27,515,978	-
4,491,080	-	5,765,853	-
8,773,470	-	9,624,053	-
372,670	-	376,828	-
103,571,242	56,380	92,119,238	-
10,086,375	-	6,510,984	-
-	-	2,392,222	-
21,161,557	-	30,101,766	-
61,997,304	-	64,854,807	-
308,899,282	-	389,483,593	-
53,202,231	-	86,744,912	-
-	-	1,921,642	-
16,465,728	14,591,428	20,345,346	14,592,488
8,590,960	-	8,476,750	-
2,352,521	-	5,123,555	-
16,930,280	-	52,729,158	-
126,667,431	-	272,323,985	-
<b>\$1,000,529,065</b>	<b>\$14,647,808</b>	<b>\$1,337,776,276</b>	<b>\$14,592,488</b>

<i><b>Description</b></i>	<i><b>2021-23 Actuals</b></i>	
	<i><b>TOTAL</b></i>	<i><b>COPS</b></i>
<b>Lottery Funds Supported</b>		
Administrative Svcs, Dept of	22,775,095	-
Oregon Business Development Department	42,813,198	-
Veterans' Affairs, Oregon Dept of	250,246	-
Energy, Dept of	3,022,567	-
Oregon Health Authority	-	-
Higher Education Coordinating Commission	44,119,178	-
Education, Dept of	-	-
Forestry, Dept of	2,564,201	-
Parks & Recreation Dept	3,120,498	-
Fish & Wildlife, Oregon Dept of	-	-
Water Resources Dept	6,976,595	-
Watershed Enhancement Board, Oregon	-	-
Transportation, Oregon Dept of	120,982,562	-
Housing & Community Svcs Dept	25,217,808	-
<b>Total Lottery Funds Supported</b>	<b>\$271,841,948</b>	<b>-</b>
<b>Other Funds Supported</b>		
Human Services, Dept. of	2,056,766	-
Administrative Svcs, Dept of	485,974,865	-
Oregon Business Development Department	14,055,323	-
Justice, Dept of	-	-
Revenue, Dept of	1,339,082	-
Legislative Administration Committee	625,884	-
Judicial Dept	274,570	-
Military Dept, Oregon	100,906	-
Emergency Management, Oregon Dept of	-	-



<i>2023-25 Leg Approved Budget</i>		<i>2025-27 Governor's Budget</i>	
<i>TOTAL</i>	<i>COPS</i>	<i>TOTAL</i>	<i>COPS</i>
47,726,972	-	53,912,517	-
49,851,609	-	74,843,507	-
551,000	-	551,000	-
1,439,160	-	-	-
6,186,773	-	16,513,581	-
44,781,886	-	47,162,988	-
3,227,390	-	8,693,643	-
2,557,080	-	2,558,120	-
3,825,745	-	5,467,397	-
-	-	2,437,793	-
14,102,838	-	24,352,512	-
-	-	711,079	-
134,554,750	-	143,579,808	-
29,707,030	-	46,675,634	-
<b>\$338,512,233</b>	-	<b>\$427,459,579</b>	-
267,000	-	-	-
538,056,345	-	582,890,563	-
14,948,142	-	10,822,359	-
2,508,271	-	7,380,272	-
113,110	-	-	-
1,333,000	-	-	-
2,782,130	-	-	-
743,200	-	-	-
241,500	-	-	-

<b>Description</b>	<b>2021-23 Actuals</b>	
	<b>TOTAL</b>	<b>COPS</b>
<b>Other Funds Supported</b>		
Veterans' Affairs, Oregon Dept of	97,438,130	-
Corrections, Dept of	804,212	40
Energy, Dept of	30,531,300	-
Environmental Quality, Dept of	3,630,050	-
Oregon Youth Authority	1,137,980	-
Oregon Health Authority	-	-
Higher Education Coordinating Commission	193,737,335	-
Education, Dept of	234,015	-
Forestry, Dept of	234,587	2,059
Parks & Recreation Dept	-	-
Fish & Wildlife, Oregon Dept of	1,837,010	-
Water Resources Dept	(3,703)	-
Transportation, Oregon Dept of	386,182,304	547
Oregon Liquor & Cannabis Comm	4,299,828	-
Housing & Community Svcs Dept	352,908,765	-
<b>Total Other Funds Supported</b>	<b>\$1,577,399,209</b>	<b>\$2,646</b>
<b>Federal Funds Supported</b>		
Higher Education Coordinating Commission	4,008,152	-
Transportation, Oregon Dept of	19,500,655	-
<b>Total Federal Funds Supported</b>	<b>\$23,508,807</b>	<b>-</b>
<b>Grand Total Debt Service Requirements</b>	<b>\$2,661,328,145</b>	<b>\$16,791,410</b>

<i>2023-25 Leg Approved Budget</i>		<i>2025-27 Governor's Budget</i>	
<i>TOTAL</i>	<i>COPS</i>	<i>TOTAL</i>	<i>COPS</i>
108,100,000	-	59,436,615	-
1,807,275	-	-	-
28,230,578	-	24,036,276	-
21,342,800	-	22,271,975	-
83,100	-	-	-
27,000	-	-	-
228,921,374	-	197,400,185	-
8,112,110	-	-	-
1,761,811	2,740	6,905,370	-
143,306	-	-	-
2,270,610	-	1,838,812	-
1,755,115	-	-	-
444,789,113	-	517,800,820	-
21,581,604	-	29,163,929	-
325,601,476	-	139,750,437	-
<b>\$1,755,519,970</b>	<b>\$2,740</b>	<b>\$1,599,697,613</b>	-
4,008,153	-	3,899,000	-
18,764,647	-	17,933,514	-
<b>\$22,772,800</b>	-	<b>\$21,832,514</b>	-
<b>\$3,117,334,068</b>	<b>\$14,650,548</b>	<b>\$3,386,765,982</b>	<b>\$14,592,488</b>

## Table F. Capital Financing Six-Year Forecast Summary

## General Fund Repayment Source

General Fund Supported Debt	General Fund Repayment Source		
NET TAX-SUPPORTED DEBT PROGRAMS	2025-27	2027-29	2029-31
<b>SDPAC Estimated New Debt Capacity</b>	2,298,632,952	2,298,632,952	2,298,632,952
Projected Debt Capacity Carryforward Added Back	-	85,166,323	1,029,332,895
<b>Estimated Debt Capacity as Adjusted</b>	2,298,632,952	2,383,799,275	3,327,965,847
<b>GENERAL OBLIGATION BONDS</b>			
Art. XI(7) Department of Transportation			
Capital Construction	251,825,000	251,825,000	251,825,000
Art. XI-G Higher Education & Community Colleges			
Capital Construction - Public Universities	85,660,000	100,000,000	100,000,000
Capital Construction - Community Colleges	20,215,000	75,000,000	75,000,000
Art. XI-H Pollution Control (GF Supported Portion)			
Grants and loans	10,333,333	10,300,000	10,300,000
Art. XI-M & XI-N Seismic Rehabilitation			
Grants and Loans	151,490,000	152,000,000	152,000,000
Art. XI-P School Districts Capital Costs			
Grants and Loans	108,860,000	150,000,000	100,000,000
Art. XI-Q State Property (GF Supported Portion)			
Capital Construction	1,530,023,296	867,166,380	695,191,182
Equipment and Technology	55,060,000	-	-
<b>Less Total General Obligation Bonds (GF Portion)</b>	<b>2,213,466,629</b>	<b>1,354,466,380</b>	<b>1,132,491,182</b>
<b>Less Certificates of Participation (GF Supported)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Remaining Estimated General Fund Debt Capacity</b>	<b>\$ 85,166,323</b>	<b>\$ 1,029,332,895</b>	<b>\$ 2,195,474,665</b>

Lottery Revenue Bond Program	Lottery Funds Repayment Source		
NET TAX-SUPPORTED DEBT PROGRAMS	2025-27	2027-29	2029-31
<b>SDPAC Estimated New Debt Capacity</b>	571,013,340	571,013,340	571,013,340
Projected Debt Capacity Adjustments	-	123,340	-
<b>Estimated Debt Capacity as Adjusted</b>	571,013,340	571,136,680	571,013,340
<b>LOTTERY REVENUE BONDS</b>			
Department of Administrative Services Grants and Loans	570,890,000	571,136,680	571,013,340
<b>Less Total Lottery Revenue Bonds</b>	<b>570,890,000</b>	<b>571,136,680</b>	<b>571,013,340</b>
<b>Remaining Estimated Lottery Funds Debt Capacity</b>	<b>\$ 123,340</b>	<b>\$ -</b>	<b>\$ -</b>

Transportation Department Bonds	Other Funds Repayment Source		
OTHER NET TAX-SUPPORTED DEBT PROGRAMS	2025-27	2027-29	2029-31
<b>GENERAL OBLIGATION BONDS</b>			
Debt Capacity - General Obligation Art. XI, Section 7	8,210,272,693	8,210,272,693	8,210,272,693
Department of Transportation Capital Construction	-		
<b>Remaining transportation general obligation capacity</b>	<b>8,210,272,693</b>	<b>N/A</b>	<b>N/A</b>
<b>REVENUE BONDS</b>			
Debt Capacity Limited by Statute	1,380,585,000	530,585,000	530,585,000
Transportation Highway User Tax Capital Construction	850,000,000		
Transportation Infrastructure Fund Grants and Loans	-		
<b>Less Total Transportation Revenue Bonds</b>	<b>850,000,000</b>	<b>N/A</b>	<b>N/A</b>
<b>Remaining Transportation Revenue Debt Capacity</b>	<b>\$ 530,585,000</b>	<b>N/A</b>	<b>N/A</b>

Debt Issuance Forecast		Other Funds Repayment Source		
NON TAX-SUPPORTED DEBT PROGRAMS		2025-27	2027-29	2029-31
<b>GENERAL OBLIGATION BONDS</b>				
Art. XI-A Veterans' Welfare				
Grants and loans	116,000,000	116,000,000	116,000,000	
Art. XI-F(1) Higher Education Facilities				
Capital Construction	138,670,000	50,000,000	50,000,000	
Art. XI-H Pollution Control (Other Funds Supported Portion)				
Grants and loans	20,080,000	20,080,000	20,080,000	
Art. XI-I(2) Elderly and Disabled Housing				
Grants and loans	50,000,000	50,000,000	50,000,000	
Art. XI-Q State Property (Other Funds Supported Portion)				
Capital Construction	167,806,704	50,000,000	50,000,000	
Equipment and Technology	8,090,000	-	-	
<b>Total General Obligation Bonds</b>	<b>500,646,704</b>	<b>286,080,000</b>	<b>286,080,000</b>	
<b>REVENUE BONDS</b>				
Single and Multi-family Housing				
Grants and loans	500,000,000	500,000,000	500,000,000	
Business Development Department Oregon Bond Bank				
Grants and loans	30,000,000	30,000,000	30,000,000	
Oregon Department of Transportation Grant Anticipation				
Revenue Vehicle	345,000,000			
<b>Total Revenue Bonds</b>	<b>875,000,000</b>	<b>530,000,000</b>	<b>530,000,000</b>	
<b>Total Non Tax-Supported Debt Forecast</b>	<b>\$ 1,375,646,704</b>	<b>\$ 816,080,000</b>	<b>\$ 816,080,000</b>	

## Capital Projects

Capital Projects include land, building and major facility renovations, additions, or improvement projects. There are two categories of Capital Projects: Capital Improvements and Major Construction/Acquisition. Capital Improvements have a total project cost less than \$1 million and funding will be included in the agency's operating budget. Major Construction/Acquisition projects have a total budget of \$1 million or more and must build, acquire, adapt, replace or change the use or function of a facility. Major Construction/Acquisition projects are considered Capital Construction projects for budgeting and accounting purposes and receive a six-year limitation. Capital Construction projects are presented in appropriation bills separate from an agency's budget bill and must receive approval by the Legislature before spending begins.

The recommended Capital Construction projects for the 2025-27 biennium are included in one appropriation bill. Projects may be funded with proceeds from bonds that are repaid over time or on a "pay-as-you-go" basis (i.e., without borrowing). Sources for bond repayment and "pay-as-you-go" include General Fund, Other Funds, Lottery Funds, and Federal Funds.

The following tables show the Capital Construction projects proposed by the Governor for the 2025-27 biennium. The tables also show estimated major Capital Construction project costs for the four years in the subsequent two biennia, which is a required component of the Governor's budget under Oregon law (ORS 291.224).

## Capital Construction Plans

### 2025-27 PROGRAM AREA FUNDING REQUEST SUMMARY

Program Area	General Fund	Other Funds	Federal Funds	Total Funds
Education	-	534,424,000	-	534,424,000
Human Services	-	2,675,000	-	2,675,000
Public Safety	-	151,998,873	44,750,000	196,748,873
Economic and Community Development	-	923,444,725	-	923,444,725
Natural Resources	-	76,250,000	-	76,250,000
Transportation	-	2,545,634	2,848,732	5,394,366
Administration	-	175,386,000	-	175,386,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,866,724,232</b>	<b>\$ 47,598,732</b>	<b>\$ 1,914,322,964</b>



## 2025-27 RECOMMENDED CAPITAL CONSTRUCTION PROJECTS

Description	General Fund	Other Funds	Federal Funds	Total
<b>Education</b>				
<b>Higher Education Coordinating Commission</b>				
Public Universities Capital Construction	-	422,540,000	-	422,540,000
Community Colleges Capital Construction	-	20,000,000	-	20,000,000
<b>Total Higher Education Coordinating Commission</b>	-	442,540,000	-	442,540,000
<b>Education, Oregon Department of</b>				
Oregon School for the Deaf Facilities Improvements	-	91,884,000	-	91,884,000
<b>Total Education, Oregon Department of</b>	-	91,884,000	-	91,884,000
<b>Education</b>	\$	- \$	\$ 534,424,000	\$ - \$ 534,424,000
<b>Human Services</b>				
<b>Oregon Health Authority</b>				
OSH Capital Improvements & Equipment	-	2,675,000	-	2,675,000
<b>Total Oregon Health Authority</b>	-	2,675,000	-	2,675,000
<b>Human Services</b>	\$	- \$	\$ 2,675,000	\$ - \$ 2,675,000
<b>Public Safety</b>				
<b>Military Department, Oregon</b>				
Bend Armory Service Life Extension	-	9,400,000	-	9,400,000
Boardman Multipurpose Machine Gun Range	-	-	13,000,000	13,000,000
Klamath Falls Readiness Center	-	2,000,000	3,750,000	5,750,000
Linn County Readiness Center	-	7,000,000	28,000,000	35,000,000
Salem Armory & Auditorium Service Life Extension & Emergency Enhancements	-	6,300,000	-	6,300,000
Woodburn Armory Service Life Extension & Emergency Enhancements	-	6,100,000	-	6,100,000
Youth Challenge Program Athletic Field	-	5,047,680	-	5,047,680
<b>Total Military Department, Oregon</b>	-	35,847,680	44,750,000	80,597,680
<b>State Police, Oregon</b>				
Coos Bay/North Bend Area Command Land Acq	-	3,500,000	-	3,500,000
Ontario/Bend Area Command Land Acq	-	3,500,000	-	3,500,000
<b>Total State Police, Oregon</b>	-	7,000,000	-	7,000,000
<b>Corrections, Department of</b>				
Capital Improvement and Renewal	-	70,000,000	-	70,000,000
Wireless Communication System	-	12,900,000	-	12,900,000
<b>Total Corrections, Department of</b>	-	82,900,000	-	82,900,000
<b>Oregon Youth Authority</b>				
Deferred Maintenance/Capital Renewal	-	18,000,000	-	18,000,000
CCTV and Access Control	-	5,551,193	-	5,551,193
MacLaren Medical Clinic and Pharmacy Renovation	-	2,700,000	-	2,700,000
<b>Total Oregon Youth Authority</b>	-	26,251,193	-	26,251,193
<b>Public Safety</b>	\$	- \$	\$ 151,998,873	\$ 44,750,000 \$ 196,748,873

## 2025-27 RECOMMENDED CAPITAL CONSTRUCTION PROJECTS (CONTINUED)

Description	General Fund	Other Funds	Federal Funds	Total
<b>Economic &amp; Community Development</b>				
<b>Housing &amp; Community Services Department</b>				
LIFT Affordable Rental	-	700,000,000	-	700,000,000
LIFT Homeownership	-	100,000,000	-	100,000,000
Permanent Supportive Housing	-	80,000,000	-	80,000,000
<b>Total Housing &amp; Community Services Dept</b>	-	880,000,000	-	880,000,000
<b>Veterans Affairs, Oregon Department of</b>				
Lebanon Veterans' Home Capital Improvements	-	4,566,871	-	4,566,871
Salem HVAC Controls Replacement, Phase II	-	1,554,000	-	1,554,000
Salem Roof Replacement	-	1,200,000	-	1,200,000
Roseburg Veterans' Home Capital Improvements	-	35,000,000	-	35,000,000
The Dalles Veterans' Home Capital Improvements	-	1,123,854	-	1,123,854
<b>Total Veterans Affairs, Oregon Department of</b>	-	43,444,725	-	43,444,725
<b>Economic &amp; Community Development</b>	\$	- \$ 923,444,725	\$	- \$ 923,444,725
<b>Natural Resources</b>				
<b>Forestry, Oregon Department of</b>				
Klamath Fire Cache Warehouse Replacement	-	5,000,000	-	5,000,000
Santiam Facility Replacement, Phase I	-	5,000,000	-	5,000,000
State Forester Office Building Restoration	-	20,000,000	-	20,000,000
Toledo Facility Replacement, Phase III	-	6,000,000	-	6,000,000
Veneta Campus Remodel	-	15,000,000	-	15,000,000
<b>Total Forestry, Oregon Department of</b>	-	51,000,000	-	51,000,000
<b>Fish &amp; Wildlife, Oregon Department of</b>				
Hatchery Facilities - Capital Improvements	-	20,000,000	-	20,000,000
Rogue Watershed District Office Replacement	-	5,250,000	-	5,250,000
<b>Total Fish &amp; Wildlife, Oregon Department of</b>	-	25,250,000	-	25,250,000
<b>Natural Resources</b>	\$	- \$ 76,250,000	\$	- \$ 76,250,000
<b>Transportation</b>				
<b>Aviation, Department of</b>				
Oakridge Airport Runway	-	2,545,634	-	2,545,634
Mulino Airport Runway	-	-	2,848,732	2,848,732
<b>Total Aviation, Department of</b>	-	2,545,634	2,848,732	5,394,366
<b>Transportation</b>	\$	- \$ 2,545,634	\$ 2,848,732	\$ 5,394,366
<b>Administration</b>				
<b>Administrative Services, Department of</b>				
Deferred Maintenance Projects	-	15,500,000	-	15,500,000
Building Automation Systems	-	5,000,000	-	5,000,000
State Fair Regional Emergency Center	-	4,886,000	-	4,886,000
Capital Renewal and Seismic Renovations	-	150,000,000	-	150,000,000
<b>Total Administrative Services, Department of</b>	-	175,386,000	-	175,386,000
<b>Administration</b>	\$	- \$ 175,386,000	\$	- \$ 175,386,000
<b>GRAND TOTAL 2025-27 BIENNIUM</b>	\$	- \$ 1,866,724,232	\$ 47,598,732	\$ 1,914,322,964

## 2027-29 ESTIMATED CAPITAL CONSTRUCTION REQUIREMENTS

Description	General Fund	Other Funds	Federal Funds	Total
<b>Education</b>				
<b>Higher Education Coordinating Commission</b>				
Public Universities Capital Construction	-	685,252,985	-	685,252,985
Community Colleges Capital Construction	-	75,000,000	-	75,000,000
<b>Total Higher Education Coordinating Commission</b>	-	760,252,985	-	760,252,985
<b>Education, Oregon Department of</b>				
New Upper School Building	-	90,000,000	-	90,000,000
Campus Site Development/Improvements	-	40,000,000	-	40,000,000
<b>Total Education, Oregon Department of</b>	-	130,000,000	-	130,000,000
<b>Education</b>	\$ -	\$ 890,252,985	\$ -	\$ 890,252,985
<b>Public Safety</b>				
<b>Military Department, Oregon</b>				
ASLEP/REEP-Salem Reserve Center	-	6,000,000	-	6,000,000
ASLEP/REEP-McMinnville Armory	-	6,329,665	-	6,329,665
<b>Total Military Department, Oregon</b>	-	12,329,665	-	12,329,665
<b>Public Safety Standards and Training, Oregon Department of</b>				
Campus Expansion	-	38,070,000	-	38,070,000
<b>Total Public Safety Standards and Training, Oregon Dept of</b>	-	38,070,000	-	38,070,000
<b>Oregon Youth Authority</b>				
MacLaren-Renovate and Expand Gatehouse	-	11,754,660	-	11,754,660
Eastern Oregon-Dorm Renovations	-	12,879,575	-	12,879,575
Rogue Valley-Living Unit Renovation	-	4,500,000	-	4,500,000
Oak Creek-Construct New School/Vocational Ed Building	-	11,859,642	-	11,859,642
MacLaren-Construct New Schools	-	23,008,665	-	23,008,665
Rogue Valley-Renovate Regulation and Reintegration Area	-	4,060,586	-	4,060,586
Building Demolition and Hazardous Material Disposal	4,046,558	-	-	4,046,558
Tillamook-New Gymnasium	-	10,131,396	-	10,131,396
Deferred Maintenance/Capital Renewal	-	12,000,000	-	12,000,000
<b>Total Oregon Youth Authority</b>	4,046,558	90,194,524	-	94,241,082
<b>Public Safety</b>	\$ 4,046,558	\$ 140,594,189	\$ -	\$ 144,640,747
<b>Natural Resources</b>				
<b>Forestry, Oregon Department of</b>				
Deferred Maintenance and Capital Improvements	-	6,319,206	-	6,319,206
<b>Total Forestry, Oregon Department of</b>	-	6,319,206	-	6,319,206
<b>Fish &amp; Wildlife, Oregon Department of</b>				
Deferred Maintenance	-	5,000,000	-	5,000,000
<b>Total Fish &amp; Wildlife, Oregon Department of</b>	-	5,000,000	-	5,000,000
<b>Natural Resources</b>	\$ -	\$ 11,319,206	\$ -	\$ 11,319,206
<b>Transportation</b>				
<b>Aviation, Department of</b>				
Headquarters Renovation or Replacement	25,000,000	-	-	25,000,000
<b>Total Aviation, Department of</b>	25,000,000	-	-	25,000,000
<b>Transportation</b>	\$ 25,000,000	\$ -	\$ -	\$ 25,000,000
<b>GRAND TOTAL 2027-29 BIENNium</b>	\$ 29,046,558	\$ 1,042,166,380	\$ -	\$ 1,071,212,938

Note: Funding in the Governor's budget includes only those items identified in the capital construction bill. This table presents estimated biennial construction costs for projects that would be considered for recommendation in 2027-29; they are not yet recommended in the capital construction bill.

## 2027-29 ESTIMATED CAPITAL CONSTRUCTION REQUIREMENTS (continued)

Description	General Fund	Other Funds	Federal Funds	Total
<b>Education</b>				
<b>Higher Education Coordinating Commission</b>				
Public Universities Capital Construction	-	685,252,985	-	685,252,985
Community Colleges Capital Construction	-	75,000,000	-	75,000,000
<b>Total Higher Education Coordinating Commission</b>	-	760,252,985	-	760,252,985
<b>Education, Oregon Department of</b>				
New Upper School Building	-	90,000,000	-	90,000,000
Campus Site Development/Improvements	-	40,000,000	-	40,000,000
<b>Total Education, Oregon Department of</b>	-	130,000,000	-	130,000,000
<b>Education</b>	\$ -	\$ 890,252,985	\$ -	\$ 890,252,985
<b>Public Safety</b>				
<b>Military Department, Oregon</b>				
ASLEP/REEP-Salem Reserve Center	-	6,000,000	-	6,000,000
ASLEP/REEP-McMinnville Armory	-	6,329,665	-	6,329,665
<b>Total Military Department, Oregon</b>	-	12,329,665	-	12,329,665
<b>Public Safety Standards and Training, Oregon Department of</b>				
Campus Expansion	-	38,070,000	-	38,070,000
<b>Total Public Safety Standards and Training, Oregon Dept of</b>	-	38,070,000	-	38,070,000
<b>Oregon Youth Authority</b>				
MacLaren-Renovate and Expand Gatehouse	-	11,754,660	-	11,754,660
Eastern Oregon-Dorm Renovations	-	12,879,575	-	12,879,575
Rogue Valley-Living Unit Renovation	-	4,500,000	-	4,500,000
Oak Creek-Construct New School/Vocational Ed Building	-	11,859,642	-	11,859,642
MacLaren-Construct New Schools	-	23,008,665	-	23,008,665
Rogue Valley-Renovate Regulation and Reintegration Area	-	4,060,586	-	4,060,586
Building Demolition and Hazardous Material Disposal	4,046,558	-	-	4,046,558
Tillamook-New Gymnasium	-	10,131,396	-	10,131,396
Deferred Maintenance/Capital Renewal	-	12,000,000	-	12,000,000
<b>Total Oregon Youth Authority</b>	4,046,558	90,194,524	-	94,241,082
<b>Public Safety</b>	\$ 4,046,558	\$ 140,594,189	\$ -	\$ 144,640,747
<b>Natural Resources</b>				
<b>Forestry, Oregon Department of</b>				
Deferred Maintenance and Capital Improvements	-	6,319,206	-	6,319,206
<b>Total Forestry, Oregon Department of</b>	-	6,319,206	-	6,319,206
<b>Fish &amp; Wildlife, Oregon Department of</b>				
Deferred Maintenance	-	5,000,000	-	5,000,000
<b>Total Fish &amp; Wildlife, Oregon Department of</b>	-	5,000,000	-	5,000,000
<b>Natural Resources</b>	\$ -	\$ 11,319,206	\$ -	\$ 11,319,206
<b>Transportation</b>				
<b>Aviation, Department of</b>				
Headquarters Renovation or Replacement	25,000,000	-	-	25,000,000
<b>Total Aviation, Department of</b>	25,000,000	-	-	25,000,000
<b>Transportation</b>	\$ 25,000,000	\$ -	\$ -	\$ 25,000,000
<b>GRAND TOTAL 2027-29 BIENNIUM</b>	\$ 29,046,558	\$ 1,042,166,380	\$ -	\$ 1,071,212,938

Note: Funding in the Governor's budget includes only those items identified in the capital construction bill. This table presents estimated biennial construction costs for projects that would be considered for recommendation in 2027-29; they are not yet recommended in the capital construction bill.

## 2029-31 ESTIMATED Capital CONSTRUCTION REQUIREMENTS

Description	General Fund	Other Funds	Federal Funds	Total
<b>Education</b>				
<b>Higher Education Coordinating Commission</b>				
Public Universities Capital Construction	-	588,800,000	-	588,800,000
Community Colleges Capital Construction	-	75,000,000	-	75,000,000
<b>Total Higher Education Coordinating Commission</b>	-	663,800,000	-	663,800,000
<b>Education, Oregon Department of</b>				
Lower School Renovations	-	60,000,000	-	60,000,000
Campus Site Development/Improvements	-	35,000,000	-	35,000,000
Resiliency & Sustainability Action Plan	-	15,000,000	-	15,000,000
<b>Total Education, Oregon Department of</b>	-	110,000,000	-	110,000,000
<b>Education</b>	\$ -	\$ 773,800,000	\$ -	\$ 773,800,000
<b>Public Safety</b>				
<b>Military Department, Oregon</b>				
Field Maintenance Shop-Rees Training Center	-	-	15,000,000	15,000,000
ASLEP-La Grande Armory	-	6,779,440	-	6,779,440
<b>Total Military Department, Oregon</b>	-	6,779,440	15,000,000	21,779,440
<b>Public Safety Standards and Training, Oregon Department of</b>				
Campus Expansion	-	14,505,000	-	14,505,000
<b>Total Public Safety Standards and Training, Oregon Dept of</b>	-	14,505,000	-	14,505,000
<b>Oregon Youth Authority</b>				
Eastern Oregon - New School	-	12,926,398	-	12,926,398
Camp Florence - Renovation and Expansion	-	8,974,862	-	8,974,862
Tillamook - New Administration and Visitation Building	-	8,279,214	-	8,279,214
MacLaren - New Gymnasium	-	12,926,268	-	12,926,268
Deferred Maintenance / Capital Renewal	-	12,000,000	-	12,000,000
<b>Total Oregon Youth Authority</b>	-	55,106,742	-	55,106,742
<b>Public Safety</b>	\$ -	\$ 76,391,182	\$ 15,000,000	\$ 91,391,182
<b>Natural Resources</b>				
<b>Forestry, Oregon Department of</b>				
Veneta Unit Campus Modernization	-	15,000,000	-	15,000,000
<b>Total Forestry, Oregon Department of</b>	-	15,000,000	-	15,000,000
<b>Fish &amp; Wildlife, Oregon Department of</b>				
Deferred Maintenance	-	5,000,000	-	5,000,000
<b>Total Fish &amp; Wildlife, Oregon Department of</b>	-	5,000,000	-	5,000,000
<b>Natural Resources</b>	\$ -	\$ 20,000,000	\$ -	\$ 20,000,000
<b>GRAND TOTAL 2029-31 BIENNIUM</b>	\$ -	\$ 870,191,182	\$ 15,000,000	\$ 885,191,182

# REVENUES

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# REVENUES

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## Revenue Summary

### Current Law Projection

The Department of Administrative Services Office of Economic Analysis projects General Fund revenue of \$35,357.0 million for the 2025-27 biennium. A beginning balance of \$2,786.0 million is anticipated for the new biennium, after a transfer of \$329.06 million is made to the Rainy Day Fund.

Personal income tax makes up the largest share of the General Fund. It accounts for about 85 percent of projected revenues. Corporate income taxes are about nine percent of the total revenue amount. Other sources make up the remainder. The largest of the other sources are interest earnings, insurance taxes, state court fees, estate taxes, and liquor apportionment transfer.

Personal income tax revenues in the 2025-27 Current Law Forecast total \$30,221.8 million, and corporate income tax revenues are expected to be \$3,294.8 million for the biennium.

State Lottery revenues for the biennium are forecasted to be \$1,987.7 million. The anticipated beginning balance is \$67.7 million. Interest on the Education Stability Fund and Economic Development Fund provide an additional \$94.0 million of resources.

Dedicated distributions for the Education Stability Fund, the Oregon Capital Matching Fund, the Parks and Natural Resources Fund, county economic development, collegiate athletics and scholarships, employer incentive fund, county fairs, veterans, outdoor education, and problem gambling treatment will total \$891.9 million. Funds dedicated for debt service on Lottery bonds and other legislatively adopted allocations will total \$343.0 million. In addition to these distributions, \$914.5 million will be available for allocation to education and economic development activities in the 2025-27 biennium.

### Governor's Recommended Revenue Changes

The budget includes a \$56.7 million reduction in General Fund for extending personal income tax credits that are scheduled to sunset in 2025-27. See the Tax Expenditure Report for a full list of sunset dates.

The Governor's budget proposes including synthetic tobacco products in the tobacco tax program for a projected General Fund increase of \$10.9 million, a filing and intervenor fee increase for the Land Use Board of Appeals for a projected General Fund increase of \$0.03 million, and a decrease of \$1.7 million in General Fund revenues from the Oregon Racing Commission to keep Hub funding to cover a revenue shortfall.

The budget also proposes using all available Criminal Fines and Assessments resources for public safety and crime prevention purposes and will not leave the forecasted \$1.0 million ending balance to be transferred to the General Fund.



Lastly, budget assumes an adjustment to the 2025-27 General Fund beginning balance to reflect additional 2023-25 budget adjustments of (\$445.1) million, a Rainy Day Fund deposit adjustment of (\$4.5) million due to the 2023-25 budget adjustments, and projected reversions from 2023-25 of \$122.1 million.

In lottery funding, the budget provides \$3.9 million of the \$46.8 million forecasted in 2025-27 for the Employer Incentive Fund (EIF) to the Public Employees Retirement System (PERS). These funds will be added to the \$38.7 million being carried forward, plus earned interest, from the 2023-25 biennium to match up to \$44.9 million which is the anticipated amount for PERS Employer Incentive Fund applications in 2025-27.

## Tax Expenditure Report

### Summary of the 2025-27 Tax Expenditure Report

Oregon law (ORS 291.202) requires the Governor to produce a tax expenditure report. The Department of Revenue prepares the report, which goes to the Legislature along with the Governor's budget. The following is a summary of the report for the 2025-27 biennium. The full report is available from the Department of Revenue, Research Section.

The definition of a tax expenditure appears in ORS 291.201. A tax expenditure is any law that exempts some class of person, income, good, service, or property from taxes that would otherwise apply to it. For example, the value of property in general is subject to property taxation, but the law exempts properties that are used for charitable, literary or scientific purposes. The part that is not taxed is the "tax expenditure."

The report contains 357 tax expenditures found in Oregon law or that flow from the interaction of Oregon's tax code with the federal tax code. Of these, 167 relate to income taxes, 140 relate to property taxes, and the remaining 50 relate to other state tax programs. More than half of the income tax expenditures result from Oregon's connection to the federal income tax code. This reduces the costs to comply with Oregon tax law and makes it simpler to administer the tax programs.

#### *Oregon Revenues and Tax Expenditures*

*By Tax Program (in millions)*

Tax Program	Number of Tax Expenditures	Estimated Revenues 2025-27	Revenue Impact	
			2023-25	2025-27
Income	167	\$32,401	\$16,469	\$18,043
Property	140	\$20,418	\$12,540	\$13,442
All Other State Taxes with Expenditures	50	\$8,090	\$1,011	\$706
<b>All Taxes</b>		<b>\$60,909</b>	<b>\$30,021</b>	<b>\$32,191</b>

### Tax Expenditures Scheduled for Sunset in 2025-27

ORS 291.214 requires the Governor to identify tax expenditures that fully or partially sunset in the coming biennium. A sunset means the tax expenditure no longer applies after the sunset date. The Governor recommends whether the sunset should take effect. A sunset must be changed by the Legislature to maintain the tax expenditure. The sunset recommendations appear below by tax program.

**Income Tax**

1.314	First-time Home Buyer Savings <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 316.798	Sunsets 12-31-2026
1.317	Personal Casualty Loss <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 316.850	Sunsets 12-31-2025
1.318	Wildfire Judgement or Settlement and Legal Fees <i>Governor's Recommendation: <b>Extend sunset.</b></i>	Ore. Laws 2024 c.50	Sunsets 12-31-2025
1.406	Earned Income Tax Credit <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 315.266	Sunsets 12-31-2025
1.425	Manufactured Dwelling Park Closure <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 316.090	Sunsets 12-31-2025
1.431	Crop Donation <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 315.156	Sunsets 12-31-2025
1.445	Certain Retirement Income <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 316.157	Sunsets 12-31-2025
1.303	AmeriCorps Awards <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 316.847	Sunsets 12-31-2026
1.313	Manufactured Dwelling Park Capital Gains <i>Governor's Recommendation: <b>Extend sunset.</b></i>	Ore. Laws 2005 c.826 §6-10	Sunsets 12-31-2025

**Property Tax**

2.015	Brownfield Development	Ore. Laws 2016 c.96, 2019 c.492	Sunsets 1-1-2027
	<i>Governor's Recommendation: <b>Extend sunset.</b></i>		
2.026	Cargo Containers	ORS 307.835	Sunsets 6-30-2026
	<i>Governor's Recommendation: <b>Extend sunset.</b></i>		
2.102	Vertical Housing Development Zone	ORS 307.864	Sunsets 12-31-2025
	<i>Governor's Recommendation: <b>Extend sunset.</b></i>		
2.108	Nonprofit Low-Income Rental Housing	ORS 307.541	Sunsets 6-30-2027
	<i>Governor's Recommendation: <b>Extend sunset.</b></i>		
2.109	New or Rehabilitated Multi-Unit Rental Housing	Ore. Laws 2017 c.624	Sunsets 1-2-2027
	<i>Governor's Recommendation: <b>Extend sunset.</b></i>		

**All Other Taxes**

3.003	Vehicle Used for Testing Emissions (Gas and Use Fuel Taxes) <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 825.475	Sunsets 12-31-2025
4.003	Vehicle Used for Testing Emissions (Weight-Mile Tax) <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 825.475	Sunsets 12-31-2025
7.003	Oregon Grapes for Wine Without Oregon Designation or AVA <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 473.046	Sunsets 6-30-2027
9.001	Sales of Prescription Drugs by Eligible Pharmacies <i>Governor's Recommendation: <b>Extend sunset.</b></i>	317A.123	Sunsets 12-31-2025
9.002	Subcontractor Labor Payments for Residential Construction <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 317A.122	Sunsets 12-31-2025
9.004	Insurers Subject to Retaliatory Tax <i>Governor's Recommendation: <b>Extend sunset.</b></i>	ORS 317A.100(4)(h)	Sunsets 12-31-2026

## Schedule I – Summary of General Fund Revenues by Major Source

	2021-23 Actuals	2023-25 Current Estimates	Percent of Total	2025-27 Current Law Forecast	Percent of Total	2025-27 Governor's Budget	Change from Current Law or Other Adjustment
<b>Taxes</b>							
Personal Income Taxes	\$25,683,505,000	\$22,589,338,000	81.1%	\$30,221,769,000	85.5%	\$30,165,069,000	(\$56,700,000) (1)
Corporate Excise and Income Taxes	3,028,415,000	3,121,848,000	11.2%	3,294,781,000	9.3%	3,294,781,000	0
Insurance Taxes	182,262,000	122,815,000	0.4%	197,241,000	0.6%	197,241,000	0
Estate Taxes	623,040,000	662,490,000	2.4%	694,398,000	2.0%	694,398,000	0
Cigarette Taxes	45,757,000	39,545,000	0.1%	34,174,000	0.1%	34,174,000	0
Other Tobacco Products Taxes	59,760,000	47,188,000	0.2%	51,587,000	0.1%	62,487,000	10,900,000 (2)
Other Taxes	1,852,000	2,378,000	0.0%	2,016,000	0.0%	2,016,000	0
<b>Fines and Fees</b>							
State Court Fees	105,014,000	107,992,000	0.4%	115,695,000	0.3%	115,695,000	0
Secretary of State Corporation Fees	89,633,000	90,831,000	0.3%	95,400,000	0.3%	95,400,000	0
Criminal Fines and Assessments	858,000	0	0.0%	1,020,000	0.0%	0	(1,020,000) (3)
Securities Fees	29,572,000	27,853,000	0.1%	28,192,000	0.1%	28,192,000	0
<b>Charges for Services</b>	<b>12,746,000</b>	<b>16,154,000</b>	<b>0.1%</b>	<b>17,768,000</b>	<b>0.1%</b>	<b>17,768,000</b>	<b>0</b>
<b>Sales Income</b>	<b>332,355,000</b>	<b>328,167,000</b>	<b>1.2%</b>	<b>282,169,000</b>	<b>0.8%</b>	<b>282,169,000</b>	<b>0</b>
<b>Interest Earnings</b>	<b>302,468,000</b>	<b>658,610,000</b>	<b>2.4%</b>	<b>297,064,000</b>	<b>0.8%</b>	<b>297,064,000</b>	<b>0</b>
<b>Other</b>	<b>17,730,000</b>	<b>21,276,000</b>	<b>0.1%</b>	<b>23,750,000</b>	<b>0.1%</b>	<b>22,034,746</b>	<b>(1,715,254) (4)</b>
<b>One-time Transfers</b>	<b>135,532,476</b>	<b>28,945,000</b>	<b>0.1%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>
<b>Total General Fund Revenues</b>	<b>\$30,650,499,476</b>	<b>\$27,865,430,000</b>	<b>100.0%</b>	<b>\$35,357,024,000</b>	<b>100.0%</b>	<b>\$35,308,488,746</b>	<b>(\$48,535,254)</b>

1. Includes a \$56.7 million reduction for extending personal income tax credits that are scheduled to sunset in 2025-27. See the Tax Expenditure Report for a full list of sunset dates.
2. Includes the same tobacco tax on synthetic tobacco for an increase to the General Fund of \$10.9 million in 2025-27.
3. Represents program cost changes in agencies that receive a portion of CFA revenue. These changes decrease CFA revenue to be deposited in the General Fund in 2025-27.
4. Includes \$1.7 million total decrease in revenues, including a decrease of \$1.7 million for the Oregon Racing Commission to keep Hub funding to cover a revenue shortfall instead of depositing it in the General Fund, and an increase of \$.03 million for filing and intervenor fee increases for the Land Use Board of Appeals.

\*Percentages do not foot due to rounding.

## General Fund Summaries

### CASH BALANCES

	2025-27 GOVERNOR'S BUDGET
BEGINNING BALANCE*	\$ 2,129,556,964
CURRENT REVENUES	<u>35,308,488,746</u>
TOTAL AVAILABLE RESOURCES	\$37,438,045,710
LESS: EXPENDITURES	<u>(37,428,894,689)</u>
BALANCES CARRIED FORWARD	<u><u>\$ 9,151,021</u></u>

### GENERAL FUND REVENUES BY MAJOR SOURCE

	2021-23 ACTUALS	2023-25 LEGISLATIVELY APPROVED	% CHANGE (ACT/LAB)	2025-27 GOVERNOR'S BUDGET	% CHANGE (EST/GB)
TAXES	\$29,624,591,000	\$26,585,602,000	-10.3%	\$34,450,166,000	29.6%
FINES AND FEES	225,077,000	226,676,000	0.7%	239,287,000	5.6%
CHARGES FOR SERVICE	12,746,000	16,154,000	26.7%	17,768,000	10.0%
SALES INCOME	332,355,000	328,167,000	-1.3%	282,169,000	-14.0%
INTEREST EARNINGS	302,468,000	658,610,000	117.7%	297,064,000	-54.9%
OTHER	17,730,000	21,276,000	20.0%	22,034,746	3.6%
ONE-TIME TRANSFERS	<u>135,532,476</u>	<u>28,945,000</u>	-78.6%	<u>-</u>	100.0%
TOTAL **	<u><u>\$ 30,650,499,476</u></u>	<u><u>\$ 27,865,430,000</u></u>	-9.1%	<u><u>\$ 35,308,488,746</u></u>	26.7%

\* Beginning Balance assumes additional 2023-25 budget adjustments for a reduction of \$445.1 million, Rainy Day Fund adjustment for a reduction of \$4.5 million due to 2023-25 budget adjustments and projected General Fund reversions of \$122.1 million.

\*\* Does not foot due to rounding.



**SUMMARY OF GENERAL FUND EXPENDITURES BY CATEGORY**

<i>Description</i>	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>% Change (ACT/LAB)</i>	<i>2025-27 Governor's Budget</i>	<i>% Change (LAB/GB)</i>
Personal Services	3,380,623,325	6,073,928,898	80%	6,894,284,168	14%
Services & Supplies	976,237,134	2,620,392,739	168%	2,855,306,021	9%
Capital Outlay	302,232,070	45,066,523	-85%	38,039,838	-16%
Special Payments	20,952,635,225	23,153,664,111	11%	26,303,488,386	14%
Debt Service	788,580,759	1,000,529,065	27%	1,337,776,276	34%
Capital Improvement *	(5,687,273)	(5,906,764)	4%	(5,974,455)	1%
Capital Construction *	(223,081,000)	-	-100%	-	100%
<b>TOTAL</b>	<b>\$26,400,308,513</b>	<b>\$32,893,581,336</b>	<b>25%</b>	<b>\$37,428,894,689</b>	<b>14%</b>

\* For information only; amounts are included in appropriate categories above.

**SUMMARY OF GENERAL FUND EXPENDITURES BY PROGRAM AREA**

<i>Program Area</i>	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>% Change (ACT/LAB)</i>	<i>2025-27 Governor's Budget</i>	<i>% Change (LAB/GB)</i>
Education	11,670,771,467	12,967,462,123	11%	14,815,090,858	14%
Human Services	7,652,833,388	11,710,725,941	53%	13,611,138,239	16%
Public Safety	2,703,402,991	4,290,699,035	59%	4,884,497,366	14%
Economic & Community Development	1,383,413,349	1,180,841,118	-15%	1,366,778,517	16%
Natural Resources	892,153,436	694,537,394	-22%	695,432,354	0%
Transportation	76,561,683	83,378,686	9%	53,462,854	-36%
Consumer & Business Services	41,959,909	46,805,552	12%	38,706,728	-17%
Administration	966,490,211	604,848,500	-37%	401,279,629	-34%
Legislative Branch *	390,005,599	237,230,123	-39%	263,272,296	11%
Judicial Branch *	622,716,480	792,371,362	27%	844,235,848	7%
Miscellaneous Programs	-	284,681,502	100%	455,000,000	60%
<b>TOTAL</b>	<b>\$26,400,308,513</b>	<b>\$32,893,581,336</b>	<b>25%</b>	<b>\$37,428,894,689</b>	<b>14%</b>

\* See agency narrative section for complete Agency Request information.

## Lottery Funds

### Introduction

Oregon's Lottery proceeds are used in the education, economic and community development, human services, transportation, natural resources, and administration program areas. Lottery Funds make up 4.7 percent of the state's General Fund and Lottery Funds expenditure budget.

The Oregon Lottery collects revenues from traditional and video lottery gaming, as well as sports betting. It pays player prizes and administrative expenses out of these revenues and transfers the balance to the state. State lottery revenues for the biennium are forecasted to be \$1,987.7 million. The Governor's budget anticipates a beginning balance of \$67.7 million Lottery Funds, which is the current law forecast. Interest on the Economic Development Fund and the Education Stability Fund provide an additional \$94.0 million of resources.

Lottery Funds are transferred to the Administrative Services Economic Development Fund. That Fund is distributed based on the Oregon constitution, statute, and legislative allocations. The plan below includes proposed changes in the Governor's budget:

- Local Government. Counties receive 2.5 percent of video poker proceeds, a total of \$65.4 million for the 2025-27 biennium.
- Education. The Education Stability Fund receives 18 percent of total transfers, until the balance equals five percent of General Fund revenues, then 15 percent is transferred to the School Capital Matching Fund. A total of \$269.2 million is expected to be deposited in the Education Stability Fund in the 2025-27 biennium. Of this amount, 10 percent is dedicated to the Oregon Growth Account. The remaining 90 percent, or \$242.3 million, will be available for the support of general education in Oregon.
- Education. The School Capital Matching Fund receives 15 percent of total transfers, after the balance in the Education Stability Fund equals five percent of General Fund revenues. A total of \$77.5 million is expected to be deposited in the School Capital Matching Fund in the 2025-27 biennium.
- Education. Outdoor School Measure 98 (2016) dedicates Lottery Funds to increase access to outdoor school for Oregon children. The Governor's budget includes \$48.1 million for this purpose.
- Education. The Sports Lottery Account receives one percent of total transfers to fund sports programs at public universities. The Governor's budget includes \$19.6 million for this purpose.
- Economic Development. Measure 96 (2016) dedicates 1.5 percent of Lottery Funds to services for veterans. This money will be used to expand veteran's services through local governments, as well as to increase access to housing, healthcare and mental health for Oregon veterans. The Governor's budget includes \$29.8 million for services to veterans.
- Natural Resources. Under the Oregon Constitution, the Parks and Natural Resources Fund receives 15 percent of total transfers. This amounts to \$298.2 million in the 2025-27 biennium. The Oregon

Constitution requires half of this money be used for parks, ocean shore and public beach access, historic sites, and recreation areas. The other half must be used to help restore and protect wild salmon, watersheds, fish and wildlife habitat, and water quality. The Governor's budget uses the funds for projects in a number of natural resource agencies.

- Human Services. The Problem Gambling Treatment Fund receives one percent of total transfers. This amounts to \$19.9 million in the 2025-27 biennium.
- Local Government. The Department of Administrative Services receives money for distribution to county fairs. By law, this amount equals one percent of total transfers up to a cap specified by statute. The Governor's budget includes \$5.7 million for this purpose.
- Unfunded PERS Liabilities. Proceeds of Sports Betting lottery proceeds are statutorily dedicated to the Employer Incentive Fund at the Public Employees Retirement System (PERS). Funds are used as matching contributions for PERS employer's payments made toward the unfunded actuarial liabilities associated with public employee pensions. The Governor's budget includes \$3.9 million for this purpose, along with the expected carryforward balance of \$38.7 million and interest earnings of \$2.3 million, to provide up to \$44.9 million in matching contributions during the 2025-27 biennium. The forecasted amount not provided to the Employer Incentive Fund will be repurposed into critical investments to position Oregon for the future.

Remaining Lottery Funds are available for allocation to agencies for Lottery bond debt service expenditures and other program purposes.

The Governor proposes to use the remaining Lottery Funds for:

- The State School Fund.
- Debt service costs on outstanding and proposed bonds for education, transportation, economic development, and infrastructure activities.
- Economic development programs and agency operations.
- At the end of the 2023-25 biennium, Oregon is well positioned with the combined balance in the Rainy Day Fund and the Education Stability Fund projected to be \$2,916.5 million, which equates to 7.8 percent of the General Fund expenditures included in the Governor's budget. The Governor's budget proposes to retain the balances in these two accounts at the levels they will achieve at the end of the 2023-25 biennium.

The following tables show the state's Lottery Funds cash flow and each agency's Lottery Funds budget. Lottery expenditures are described in more detail in each agency's budget narrative.

## Combined General Fund and Lottery Funds Summary

	2025-27 CURRENT LAW			2025-27 GOVERNOR'S BUDGET		
	GENERAL	LOTTERY	TOTAL	GENERAL	LOTTERY	TOTAL
BEGINNING CASH BALANCES*	\$2,457,017,945	\$67,680,271	\$ 2,524,698,216	\$ 2,129,556,964	\$185,002,138	\$ 2,314,559,102
AVAILABLE REVENUES **	\$35,357,024,000	\$1,747,074,268	37,104,098,268	35,308,488,746	\$1,814,834,441	37,123,323,187
TOTAL RESOURCES	\$ 37,814,041,945	\$ 1,814,754,538	\$ 39,628,796,483	\$ 37,438,045,710	\$1,999,836,579	\$ 39,437,882,289
LESS EXPENDITURES	(37,428,894,689)	(1,862,002,711)	(39,290,897,400)	(37,428,894,689)	(1,862,002,711)	(39,290,897,400)
PROJECTED CASH BALANCE	\$ 385,147,256	\$ (47,248,173)	\$ 337,899,083	\$ 9,151,021	\$ 137,833,868	\$ 146,984,889
NET CHANGE IN PROJECTED ENDING BALANCE				\$ (375,996,235)	\$ 185,082,041	\$ (190,914,194)

\*Beginning General Fund cash balances include an anticipated appropriation to the Rainy Day Fund at the end of the 2023-25 biennium per the December 2024 forecast by the Office of Economic Analysis. The Governor's budget includes additional 2023-25 budget adjustments of \$445.1 million, Rainy Day Fund adjustment of \$4.5 million due to 2023-25 budget adjustments and projected General Fund reversions of \$122.1 million. For Lottery Funds, the Governor's budget anticipates a beginning balance of \$185.0 million, which includes the current law forecast plus anticipated carry-forwards and budgetary adjustments.

\*\*Available Lottery revenue includes interest on the Education Stability Fund but does not include revenues from video lottery which is transferred to counties or the Education Stability Fund. For 2025-27 Governor's Budget a series of adjustments are made to available resources as detailed in the Revenue Summary and Lottery Funds sections.

## Non-General Fund Summaries

### CASH BALANCES

	2025-27 GOVERNORS BUDGET
BEGINNING BALANCES	\$ 116,488,511,692
CURRENT REVENUES	106,719,452,486
TOTAL RESOURCES AVAILABLE	\$ 223,207,964,178
LESS: TRANSFERS TO OTHER GOVERNMENTS EXPENDITURES *	(1,888,773,090) (99,030,642,730)
BALANCES CARRIED FORWARD	\$ 122,308,548,358

### NON-GENERAL FUND REVENUES BY MAJOR SOURCE

	2021-23 ACTUALS	2023-25 LEGISLATIVELY APPROVED	% CHANGE (ACT/LAB)	2025-27 GOVERNORS BUDGET	% CHANGE (LAB/GB)
TAXES	\$ 9,207,577,177	\$ 15,966,674,123	73.4%	\$ 19,311,338,980	20.9%
FEDERAL FUNDS	40,060,778,209	38,682,656,732	-3.4%	41,211,739,327	6.5%
FEDERAL FUNDS AS OTHER FUNDS	1,250,109,895	2,599,889,895	108.0%	1,644,139,304	-36.8%
DONATIONS AND CONTRIBUTIONS	8,268,185,776	9,309,573,717	12.6%	8,043,424,011	-13.6%
OTHER	3,615,563,502	5,562,866,218	53.9%	7,491,758,098	34.7%
BOND SALES	3,512,414,370	3,908,087,450	11.2%	4,697,750,637	20.3%
INTEREST EARNINGS	11,622,731,004	15,646,411,986	34.6%	11,317,986,271	-27.7%
LIQUOR AND OTHER SALES INCOME	811,827,514	919,447,032	13.3%	833,996,122	-9.3%
LOAN REPAYMENTS	643,054,078	636,052,884	-1.1%	447,565,316	-29.6%
LOTTERY DISTRIBUTIONS	1,815,078,928	1,843,430,263	1.6%	1,987,677,642	7.8%
CHARGES FOR SERVICES	6,458,708,517	6,537,225,299	1.2%	7,306,474,055	11.8%
LICENSES AND FEES	2,249,598,432	2,276,636,339	1.2%	2,425,602,723	6.5%
TOTAL **	\$ 89,515,627,402	\$ 103,886,551,938	16.1%	\$ 106,719,452,486	2.7%

\* Excludes Non-Add expenditures.

\*\* Does not include beginning balance.

## Schedule II. Other Funds and Lottery Funds Revenue by Source

Description	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>Taxes</b>			
Corporate Activity Tax	2,567,907,517	2,779,098,000	3,101,910,000
Gross Receipts Business Taxes/Fees	6,145,140	6,190,686	7,000,000
Employment Taxes	6,714,183	4,867,228,817	4,814,693,655
Workers Comp Insurance Taxes	186,077,926	197,195,689	173,896,295
Other Employer -Employee Taxes	388,248,897	1,570,063,416	4,409,830,394
Cigarette Taxes	644,597,043	609,800,000	472,462,924
Other Tobacco Products Taxes	120,184,017	112,700,000	104,958,010
Marijuana Taxes	367,921,718	316,860,000	327,949,000
Amusement Taxes	5,139,546	4,052,345	3,849,030
Insurance Taxes	-	746,561,307	680,760,313
Eastern Oregon Severance Taxes	4,256	31,914	10,344
Western Oregon Severance Taxes	703,828	1,135,910	1,353,291
Other Severance Taxes	2,540	33,478	4,539
Forest Protection Taxes	57,461,635	192,329,892	113,466,340
Motor Fuels Taxes	1,334,052,861	1,368,350,366	1,368,308,490
Weight-Mile Taxes	891,526,074	980,864,085	981,594,853
Privilege Taxes	113,672,696	139,955,206	135,490,772
Other Selective Taxes	2,284,601,495	1,681,024,042	1,913,266,864
Other Taxes	232,615,805	393,198,970	700,533,866
<b>Total Taxes</b>	<b>\$9,207,577,177</b>	<b>\$15,966,674,123</b>	<b>\$19,311,338,980</b>
<b>Licenses and Fees</b>			
Business Lic and Fees	538,215,472	525,800,140	596,543,970
Non-business Lic. and Fees	95,843,111	99,403,163	110,233,082
State Court Fees	11,321,213	11,881,668	3,497,594
Hunter and Angler Licenses	117,714,337	127,095,663	144,849,018
Commercial Fish Lic and Fees	11,972,521	10,917,583	12,694,434
Public Utilities Fees	213,371,606	190,187,975	219,821,632
Power and Water Fees	11,885,964	12,327,554	13,839,301
Fire Marshal Fees	38,600,480	42,489,152	45,599,500
Park User Fees	69,386,874	65,562,466	73,634,210
Vehicle Licenses	916,713,167	953,530,830	954,529,732
Drivers Licenses	113,053,826	127,400,421	143,778,217
Transportation Lic and Fees	111,519,861	110,039,724	106,582,033
<b>Total Licenses and Fees</b>	<b>\$2,249,598,432</b>	<b>\$2,276,636,339</b>	<b>\$2,425,602,723</b>



## Schedule II. Other Funds and Lottery Funds Revenue by Source (continued)

Description	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>Federal Funds as Other Funds</b>			
Federal Revenues	1,247,714,588	2,597,178,239	1,641,662,016
Federal Revenues - Svc Contracts	2,395,307	2,511,656	2,477,288
<b>Total Federal Funds as Other Funds</b>	<b>\$1,250,109,895</b>	<b>\$2,599,689,895</b>	<b>\$1,644,139,304</b>
<b>Charges for Services</b>			
Central Service Charges	4,500,001	4,500,000	4,500,000
Charges for Services	1,197,691,041	1,323,913,676	1,425,866,228
Admin and Service Charges	5,237,553,814	5,181,903,322	5,854,858,978
Care of State Wards	18,963,661	26,908,301	21,248,849
<b>Total Charges for Services</b>	<b>\$6,458,708,517</b>	<b>\$6,537,225,299</b>	<b>\$7,306,474,055</b>
<b>Fines, Rents and Royalties</b>			
Fines and Forfeitures	188,018,343	206,034,744	218,156,450
Rents and Royalties	151,972,959	171,851,496	183,282,462
<b>Total Fines, Rents and Royalties</b>	<b>\$339,991,302</b>	<b>\$377,886,240</b>	<b>\$401,438,912</b>
<b>Bond Sales</b>			
General Fund Obligation Bonds	1,689,553,625	2,652,160,159	2,837,516,445
Dedicated Fund Oblig Bonds	445,208,866	242,000,000	668,970,000
Lottery Bonds	156,810,210	451,927,291	580,264,192
Revenue Bonds	1,065,246,669	560,000,000	611,000,000
Private Placement / Borrowings	155,595,000	-	-
<b>Total Bond Sales</b>	<b>\$3,512,414,370</b>	<b>\$3,906,087,450</b>	<b>\$4,697,750,637</b>
<b>Interest Earnings</b>			
Interest Income	\$11,622,731,004	\$15,646,411,986	\$11,317,986,271
<b>Sales Income</b>			
Sales Income	71,818,878	29,759,572	20,863,230
Liquor Sales	519,664,097	614,460,527	568,324,580
Pari-Mutuel Receipts	5,191,923	4,712,778	7,071,019
State Forest Lands Sales	209,185,845	259,237,647	225,035,289
Common School Lands Sales	5,966,771	11,276,508	12,702,004
<b>Total Sales Income</b>	<b>\$811,827,514</b>	<b>\$919,447,032</b>	<b>\$833,996,122</b>
<b>Donations and Contributions</b>			
Donations	35,275,161	34,939,362	40,214,914
Grants (Non-Fed)	59,710,940	30,563,925	19,333,335



## Schedule II. Other Funds and Lottery Funds Revenue by Source (continued)

Description	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
Retirement System Contribution	8,173,199,675	9,244,070,430	7,983,875,762
<b>Total Donations and Contributions</b>	<b>\$8,268,185,776</b>	<b>\$9,309,573,717</b>	<b>\$8,043,424,011</b>
<b>Loan Repayment</b>			
Loan Repayments	261,268,232	197,412,789	187,990,080
Housing Div Loan Repayments	245,336,652	321,650,417	145,793,236
Veterans Loan Repayments	99,985,506	80,000,000	80,000,000
Sr Citizen Prop Tax Repayments	36,463,688	36,989,678	33,782,000
<b>Total Loan Repayment</b>	<b>\$643,054,078</b>	<b>\$636,052,884</b>	<b>\$447,565,316</b>
<b>Insurance Premium</b>			
Insurance Premiums	\$54,873,526	\$65,147,533	\$56,702,974
<b>Other</b>			
Other Revenues	3,220,692,832	5,119,632,445	7,033,616,212
Loan Proceeds	5,842	-	-
<b>Total Other</b>	<b>\$3,220,698,674</b>	<b>\$5,119,632,445</b>	<b>\$7,033,616,212</b>
<b>Federal Funds Revenue</b>			
Federal Funds	\$56,267,783	-	-
<b>Lottery Distributions</b>	<b>\$1,815,078,928</b>	<b>\$1,843,430,263</b>	<b>\$1,987,677,642</b>
<b>Total Transfers In/Out</b>	<b>\$15,464,490,831</b>	<b>\$1,064,715,505</b>	<b>(\$1,986,359,096)</b>
<b>Total Other Funds and Lottery Funds Revenue</b>	<b>64,919,340,024</b>	<b>66,268,610,711</b>	<b>63,521,354,063</b>
Total Non Add Expenditures	1,046,543,208	1,273,840,872	1,285,957,437
Revised Total w/ NonAdd Exp Removed	63,872,796,816	64,994,769,839	62,235,396,626

## Schedule III. – Receipts from Federal Government

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>EDUCATION</b>			
Department of Early Learning and Care	-	390,133,739	252,460,926
Education, Dept of	2,850,616,383	2,089,088,432	1,581,553,928
Higher Education Coordinating Commission	104,817,910	160,993,160	170,106,858
<b>EDUCATION TOTAL</b>	<b>\$2,955,434,293</b>	<b>\$2,640,215,331</b>	<b>\$2,004,121,712</b>
<b>HUMAN SERVICES</b>			
Commission for the Blind	18,638,377	19,299,483	22,116,930
Human Services, Dept. of	12,678,092,802	12,454,803,604	13,835,393,798
Oregon Health Authority	17,608,231,631	19,857,389,240	21,699,731,535
<b>HUMAN SERVICES TOTAL</b>	<b>\$30,304,962,810</b>	<b>\$32,331,492,327</b>	<b>\$35,557,242,263</b>
<b>PUBLIC SAFETY</b>			
Corrections, Dept of	3,370,304	2,029,649	2,167,665
Criminal Justice Comm, Oregon	5,621,930	9,707,990	12,981,260
Department of the State Fire Marshal	-	599,769	629,349
Emergency Management, Oregon Dept of	521,354,454	1,056,771,485	1,098,413,627
Justice, Dept of	192,769,413	222,471,269	211,487,172
Military Dept, Oregon	295,092,676	174,244,198	220,357,841
Oregon Youth Authority	27,388,961	46,844,302	45,801,648
Police, Dept of State	11,058,795	14,660,025	14,729,927
Public Safety Standards & Training, Dept of	6,678,398	7,653,884	7,967,812
<b>PUBLIC SAFETY TOTAL</b>	<b>\$1,063,334,931</b>	<b>\$1,534,982,571</b>	<b>\$1,614,536,301</b>
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
Employment Dept	1,335,664,831	281,200,453	255,650,689
Housing & Community Svcs Dept	821,319,402	589,204,639	524,269,509
Oregon Business Development Department	73,329,211	122,642,479	77,050,621
Veterans' Affairs, Oregon Dept of	1,832,108	3,932,620	1,961,694
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT TOTAL</b>	<b>\$2,232,145,552</b>	<b>\$996,980,191</b>	<b>\$858,932,513</b>
<b>NATURAL RESOURCES</b>			
Agriculture, Oregon Dept of	16,073,012	24,616,353	24,223,129
Energy, Dept of	2,684,597	16,160,819	22,164,551
Environmental Quality, Dept of	21,407,831	42,995,988	43,248,964

## Schedule III. – Receipts from Federal Government (continued)

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>NATURAL RESOURCES</b>			
Fish & Wildlife, Oregon Dept of	131,119,394	223,951,064	208,856,165
Forestry, Dept of	23,729,365	85,574,436	99,607,282
Geology & Mineral Industries, Dept of	4,570,628	5,663,435	5,988,729
Land Conservation & Development, Dept of	4,480,062	9,534,680	9,641,022
Lands, Dept of State	2,481,981	5,655,619	6,331,802
Marine Board, Oregon State	5,110,240	6,993,480	7,022,955
Parks & Recreation Dept	8,642,075	21,868,180	28,599,686
Water Resources Dept	972,372	2,153,385	2,190,179
Watershed Enhancement Board, Oregon	34,926,210	56,787,165	61,591,577
<b>NATURAL RESOURCES TOTAL</b>	<b>\$256,197,767</b>	<b>\$501,954,604</b>	<b>\$519,466,041</b>
<b>TRANSPORTATION</b>			
Aviation, Dept of	6,474,379	20,733,526	15,552,200
Transportation, Oregon Dept of	126,804,209	212,214,788	219,735,264
<b>TRANSPORTATION TOTAL</b>	<b>\$133,278,588</b>	<b>\$232,948,314</b>	<b>\$235,287,464</b>
<b>CONSUMER &amp; BUSINESS SERVICES</b>			
Consumer and Business Svcs, Dept of	128,362,544	139,835,688	133,992,115
Labor & Industries, Bureau of	1,164,750	2,382,467	1,412,719
Public Utility Commission	964,634	1,292,424	1,510,497
<b>CONSUMER &amp; BUSINESS SERVICES TOTAL</b>	<b>\$130,491,928</b>	<b>\$143,510,579</b>	<b>\$136,915,331</b>
<b>ADMINISTRATION</b>			
Administrative Svcs, Dept of	2,972,452,828	290,220,620	274,078,513
Secretary of State	2,092,804	20,000	12,181
State Library of Oregon	7,778,650	5,401,406	5,738,385
<b>ADMINISTRATION TOTAL</b>	<b>\$2,982,324,282</b>	<b>\$295,642,026</b>	<b>\$279,829,079</b>
<b>JUDICIAL BRANCH</b>			
Judicial Dept	2,608,058	4,930,789	5,408,623
<b>JUDICIAL BRANCH TOTAL</b>	<b>\$2,608,058</b>	<b>\$4,930,789</b>	<b>\$5,408,623</b>
<b>NET FEDERAL GOVERNMENT RECEIPTS</b>	<b>\$40,060,778,209</b>	<b>\$38,682,656,732</b>	<b>\$41,211,739,327</b>

## All Funds Summary

### CASH BALANCES

	2025-27 GOVERNOR'S BUDGET
BEGINNING BALANCES	\$ 118,618,068,666
CURRENT REVENUES:	
GENERAL FUND	35,308,488,746
OTHER AND LOTTERY FUNDS	65,507,713,159
FEDERAL FUNDS	41,211,739,327
SUBTOTAL	142,027,941,232
TOTAL RESOURCES AVAILABLE	\$ 260,646,009,888
LESS: TRANSFERS TO OTHER GOVERNMENTS	
OTHER AND LOTTERY FUNDS	(1,759,978,905)
FEDERAL FUNDS	(108,794,185)
SUBTOTAL	(1,868,773,090)
EXPENDITURES *	
GENERAL FUND	(37,428,894,689)
LOTTERY FUNDS	(1,862,002,711)
OTHER FUNDS	(58,035,940,769)
FEDERAL FUNDS	(41,132,699,250)
SUBTOTAL	(136,459,537,419)
BALANCES CARRIED FORWARD	\$ 122,317,699,379

### REVENUES BY MAJOR SOURCE

	2021-23 ACTUALS	2023-25 LEGISLATIVELY APPROVED	% CHANGE (ACT/LAB)	2025-27 GOVERNOR'S BUDGET	% CHANGE (EST/GB)
TAXES	\$ 38,832,168,177	\$ 42,552,276,123	9.6%	\$53,761,504,980	26.3%
FEDERAL FUNDS	40,060,778,209	38,682,656,732	-3.4%	41,211,739,327	6.5%
FEDERAL FUNDS AS OTHER FUNDS	1,250,109,895	2,599,689,895	108.0%	1,644,139,304	-36.8%
DONATIONS AND CONTRIBUTIONS	8,268,185,776	9,309,573,717	12.6%	8,043,424,011	-13.6%
OTHER	3,633,293,502	5,583,942,218	53.7%	7,513,792,844	34.6%
BOND SALES	3,512,414,370	3,906,087,450	11.2%	4,697,750,637	20.3%
INTEREST EARNINGS	11,925,199,004	16,305,021,986	36.7%	11,615,050,271	-28.8%
LIQUOR AND OTHER SALES INCOME	1,144,182,514	1,247,614,032	9.0%	1,116,165,122	-10.5%
LOAN REPAYMENTS	643,054,078	636,052,884	-1.1%	447,565,316	-29.6%
LOTTERY DISTRIBUTIONS	1,815,078,928	1,843,430,263	1.6%	1,987,677,642	7.8%
CHARGES FOR SERVICES	6,471,454,517	6,553,379,299	1.3%	7,324,242,055	11.8%
LICENSES, FINES AND FEES	2,474,675,432	2,503,312,339	1.2%	2,664,889,723	6.5%
ONE-TIME TRANSFERS	135,532,476	28,945,000	-78.6%	-	-100.0%
TOTAL **	\$ 120,166,126,878	\$ 131,751,981,938	9.6%	\$142,027,941,232	7.8%

\* Excludes Non-Add expenditures.

\*\* Does not include beginning balance.

## All Funds Expenditures by Category and Program Area

### EXPENDITURES BY CATEGORY

<i>Description</i>	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>% Change (ACT/LAB)</i>	<i>2025-27 Governor's Budget</i>	<i>% Change (LAB/GB)</i>
Personal Services	8,774,148,472	12,569,714,380	43%	14,006,234,754	11%
Services & Supplies	12,053,691,122	12,458,963,268	3%	13,630,579,979	9%
Capital Outlay	867,415,508	1,483,461,565	71%	1,752,489,940	18%
Special Payments	85,278,051,618	93,809,970,233	10%	103,687,445,764	11%
Debt Service	2,657,322,573	3,113,285,915	17%	3,382,786,982	9%
Nonlimited Budget *	(22,353,423,210)	(23,317,807,637)	4%	(26,034,728,917)	12%
Capital Improvement	(35,165,049)	(57,571,836)	64%	(65,238,753)	13%
Capital Construction	(1,900,683,994)	(1,474,863,551)	-22%	(1,914,689,264)	30%
<b>TOTAL **</b>	<b>\$109,630,629,293</b>	<b>\$123,435,395,361</b>	<b>13%</b>	<b>\$136,459,537,419</b>	<b>11%</b>

\* Expenditures not limited by statute; included for informational purposes only.

\*\* Excludes Non-Add expenditures.

( ) Special reporting classifications; amounts are included in appropriate expenditure categories above.

### EXPENDITURES BY PROGRAM AREA

<i>Program Area</i>	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>% Change (ACT/LAB)</i>	<i>2025-27 Governor's Budget</i>	<i>% Change (LAB/GB)</i>
Education	19,183,351,348	21,820,486,252	14%	23,325,246,158	7%
Human Services	48,851,801,320	55,652,677,169	14%	62,188,786,488	12%
Public Safety	5,753,279,164	6,893,254,704	20%	7,527,117,466	9%
Economic & Community Development	7,388,138,874	9,696,190,042	31%	11,427,590,824	18%
Natural Resources	2,786,493,539	3,692,653,603	33%	3,849,306,102	4%
Transportation	4,992,014,349	6,378,835,997	28%	7,344,241,441	15%
Consumer & Business Services	905,629,184	1,082,881,281	20%	1,180,601,701	9%
Administration	18,652,982,384	16,265,127,845	-13%	17,792,687,599	9%
Legislative Branch *	421,848,353	474,414,277	12%	275,437,714	-42%
Judicial Branch *	695,090,778	1,194,192,689	72%	1,093,521,926	-8%
Miscellaneous Programs	-	284,681,502	100%	455,000,000	60%
<b>TOTAL **</b>	<b>\$109,630,629,293</b>	<b>\$123,435,395,361</b>	<b>13%</b>	<b>\$136,459,537,419</b>	<b>11%</b>

\* See agency narrative section for complete Agency Request information.

\*\* Excludes Non-Add expenditures.

## Schedule IV – Summary of Detail Revenues by Program Area, Agency, and Fund

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
<b>Department of Early Learning and Care</b>			
Beginning Balance Adjustment			
Other Funds	-	-	32,600,000
Federal Funds	-	-	20,000,000
General Fund Appropriation	-	593,748,845	754,212,155
Other Funds Revenues			
Charges for Services	-	971,952	654,491
Fines and Forfeitures	-	262,500	262,500
Grants (Non-Fed)	-	3,313,589	2,643,582
Other Revenues	-	7,449,371	8,604,872
Federal Funds	-	390,133,739	252,460,926
Transfers In			
Other Funds	-	461,685,867	451,752,872
All Funds Available for Exp	-	1,457,565,863	1,523,191,398
All Expenditures			
General Fund	-	593,748,845	754,212,155
Other Funds	-	472,868,598	496,517,817
Federal Funds	-	390,133,739	272,460,926
Total Expenditures	-	1,456,751,182	1,523,190,898
Ending Balance			
Other Funds	-	814,681	500
<b>Education, Dept of</b>			
Beginning Balance			
Lottery Funds	2	-	-
Other Funds	797,886,818	274,753,665	18,221,582
Federal Funds	348,717,534	-	-



	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
Education, Dept of			
Beginning Balance Adjustment			
Lottery Funds	(2)	-	-
Other Funds	-	(28,990,220)	213,254,157
Federal Funds	(348,717,534)	-	-
General Fund Appropriation	9,155,162,920	9,468,620,597	10,836,616,647
Other Funds Revenues			
Business Lic and Fees	25,250	-	-
Charges for Services	6,212,196	377,403	1,944,180
Fines and Forfeitures	271,871	-	-
Rents and Royalties	338,749	333,803	333,803
General Fund Obligation Bonds	90,945,226	357,500,000	559,055,000
Lottery Bonds	-	3,500,000	5,071,500
Revenue Bonds	18,595,000	-	-
Interest Income	6,271,962	-	-
Sales Income	417,774	1,095,806	1,168,634
Donations	118,238	424	424
Grants (Non-Fed)	707,710	1,099,472	1,099,473
Other Revenues	4,821,847	191,824,859	194,447,688
Federal Funds	2,863,973,930	2,097,687,741	1,601,919,011
Transfers In			
Lottery Funds	650,508,965	641,965,253	711,442,502
Other Funds	14,910,181,715	6,013,371,724	5,921,682,647
Transfers Out			
Other Funds	(2,727,472,916)	(2,739,183,520)	(2,399,045,694)
Federal Funds	(13,357,547)	(8,599,309)	(20,365,083)
All Funds Available for Exp	25,765,609,708	16,275,357,698	17,646,846,471



	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
<b>Education, Dept of</b>			
All Expenditures			
General Fund	9,020,019,011	9,468,620,597	10,836,616,647
Lottery Funds	650,508,965	641,965,253	711,442,502
Other Funds	2,956,940,509	4,027,315,742	4,264,918,363
Federal Funds	2,850,616,383	2,082,988,432	1,581,543,268
Total Expenditures	<u>15,478,084,868</u>	<u>16,220,890,024</u>	<u>17,394,520,780</u>
Reversions	(135,143,909)	-	-
Ending Balance			
Other Funds	10,152,380,931	48,367,674	252,315,031
Federal Funds	-	6,100,000	10,660
<b>Higher Education Coordinating Commission</b>			
Beginning Balance			
Lottery Funds	14,784,913	29,445,780	29,445,780
Other Funds	37,870,021	12,241,631	66,700,542
Federal Funds	1,257,825	-	-
Beginning Balance Adjustment			
Lottery Funds	-	227,765	-
Other Funds	-	129,194,678	14,530,110
General Fund Appropriation	2,678,621,371	2,902,961,386	3,222,848,858
Lottery Funds			
Interest Income	364,554	-	-
Other Funds Revenues			
Business Lic and Fees	1,584,159	-	-
Non-business Lic. and Fees	-	506,457	507,375
Charges for Services	12,264,009	3,004,399	3,035,015
Admin and Service Charges	2,146,633	1,247,899	1,249,361
General Fund Obligation Bonds	518,721,197	582,599,541	505,959,560

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: EDUCATION</b>			
<b>Higher Education Coordinating Commission</b>			
Other Funds Revenues			
Dedicated Fund Oblig Bonds	-	-	138,670,000
Interest Income	88,710,664	82,512	82,512
Sales Income	26,624,794	-	-
Donations	18,625,942	16,367,388	17,786,663
Grants (Non-Fed)	-	1,322,820	1,322,820
Loan Repayments	84,757,562	-	-
Other Revenues	1,025,136	84,218,452	23,889,051
Federal Funds	104,817,910	161,263,160	170,306,858
Transfers In			
General Fund	-	126,000	126,000
Lottery Funds	144,749,380	212,359,377	160,716,809
Other Funds	205,416,610	175,712,671	46,268,896
Transfers Out			
Lottery Funds	(823,313)	-	-
Other Funds	(140,289)	(124,985,767)	(7,021)
Federal Funds	-	(270,000)	(200,000)
All Funds Available for Exp	3,941,379,078	4,187,626,149	4,403,239,189
All Expenditures			
General Fund	2,649,624,557	2,903,087,386	3,222,974,858
Lottery Funds	137,731,002	201,017,893	190,162,589
Other Funds	801,492,162	859,468,614	807,022,301
Federal Funds	101,649,305	160,992,814	170,106,858
Total Expenditures	3,690,497,026	4,124,566,707	4,390,266,606
Reversions	(28,996,814)	-	-

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
<b>Higher Education Coordinating Commission</b>			
Ending Balance			
Lottery Funds	21,344,532	41,015,029	-
Other Funds	196,114,276	22,044,067	12,972,583
Federal Funds	4,426,430	346	-
<b>Teacher Standards &amp; Practices Comm</b>			
Beginning Balance			
Other Funds	6,111,530	3,611,340	7,031,357
Beginning Balance Adjustment			
Other Funds	-	1,600,936	1,803,467
General Fund Appropriation	1,726,971	2,005,295	1,287,198
Other Funds Revenues			
Business Lic and Fees	10,606,549	8,655,985	7,974,629
Charges for Services	133,257	-	-
Admin and Service Charges	1,759,644	1,329,163	1,287,973
Interest Income	452	-	-
Other Revenues	5,312	-	2,000
Transfers In			
Other Funds	5,360,304	4,300,000	3,292,240
Transfers Out			
Other Funds	(1,500,670)	-	(1,500,000)
All Funds Available for Exp	24,203,349	21,502,719	21,178,864
All Expenditures			
General Fund	1,127,899	2,005,295	1,287,198
Other Funds	13,641,555	16,273,044	15,980,676
Total Expenditures	14,769,454	18,278,339	17,267,874

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
<b>Teacher Standards &amp; Practices Comm</b>			
Reversions	(599,072)	-	-
Ending Balance			
Other Funds	8,834,823	3,224,380	3,910,990
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Commission for the Blind</b>			
Beginning Balance			
Other Funds	166,233	-	-
Beginning Balance Adjustment			
Other Funds	259,805	-	-
General Fund Appropriation	5,788,243	8,429,871	9,161,859
Other Funds Revenues			
Sales Income	20,016	16,739	16,739
Other Revenues	228,552	1,123,648	1,131,683
Federal Funds	18,874,644	19,299,483	22,116,930
Transfers In			
General Fund	3	-	-
Other Funds	327,372	-	-
Federal Funds	6,715,240	-	-
Transfers Out			
General Fund	(2)	-	-
Other Funds	(421,932)	-	-
Federal Funds	(6,951,507)	-	-
All Funds Available for Exp	25,006,667	28,869,741	32,427,211

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Commission for the Blind</b>			
All Expenditures			
General Fund	5,977,652	8,429,871	9,161,859
Other Funds	580,046	1,140,387	1,147,421
Federal Funds	18,638,377	19,299,483	22,116,930
Total Expenditures	25,196,075	28,869,741	32,426,210
Reversions	189,408	-	-
Ending Balance			
Other Funds	-	-	1,001
<b>Human Services, Dept. of</b>			
Beginning Balance			
Other Funds	5,894,018	1,690,049	1,690,049
Federal Funds	79	-	-
Beginning Balance Adjustment			
Other Funds	(1,438,691)	15,470,000	15,100,000
Federal Funds	(63)	-	-
General Fund Appropriation	4,470,148,002	6,057,272,145	7,354,596,113
Other Funds Revenues			
Other Selective Taxes	131,425,094	202,966,543	209,811,664
Business Lic and Fees	3,764,995	2,848,813	2,848,813
Non-business Lic. and Fees	17,923	-	-
Charges for Services	-	349,760	349,760
Admin and Service Charges	251,928,866	-	-
Care of State Wards	8,356,533	21,891,468	16,061,268
Fines and Forfeitures	552,123	-	-
Rents and Royalties	333,409	-	-
Interest Income	6,755,438	237,515	237,515

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Human Services, Dept. of</b>			
Other Funds Revenues			
Sales Income	1,045	-	-
Donations	135,569	-	-
Other Revenues	65,436,417	487,979,201	572,016,748
Federal Funds	12,723,013,487	12,471,385,368	13,851,983,617
Transfers In			
Other Funds	392,165,441	479,407,021	521,421,895
Federal Funds	2,740,388	-	-
Transfers Out			
Other Funds	(11,367,374)	(11,466,920)	(11,466,920)
Federal Funds	(48,826,307)	(16,581,764)	(16,589,819)
All Funds Available for Exp	18,001,036,392	19,713,449,199	22,518,060,703
All Expenditures			
General Fund	4,403,113,388	6,057,272,145	7,354,596,113
Other Funds	847,413,070	1,182,596,085	1,303,312,537
Federal Funds	12,676,927,584	12,454,803,604	13,835,393,798
Total Expenditures	17,927,454,042	19,694,671,834	22,493,302,448
Reversions	(67,034,614)	-	-
Ending Balance			
Other Funds	6,547,736	18,777,365	24,758,255
<b>Long Term Care Ombudsman</b>			
Beginning Balance			
Other Funds	348,338	250,310	413,888

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Long Term Care Ombudsman</b>			
General Fund Appropriation	11,164,278	13,833,416	16,201,351
Other Funds Revenues			
Interest Income	201	-	-
Sales Income	1,163	-	-
Donations	-	6,000	6,000
Other Revenues	-	300,000	313,635
Transfers In			
Other Funds	1,199,269	1,049,099	1,093,161
Transfers Out			
Other Funds	(280,007)	-	-
All Funds Available for Exp	12,433,242	15,438,825	18,028,035
All Expenditures			
General Fund	10,603,753	13,833,416	16,201,351
Other Funds	888,985	1,558,347	1,344,529
Total Expenditures	11,492,738	15,391,763	17,545,880
Reversions	(560,525)	-	-
Ending Balance			
Other Funds	379,979	47,062	482,155
<b>Oregon Health Authority</b>			
Beginning Balance			
Lottery Funds	10	-	-
Other Funds	411,196,138	2,192,130,821	312,665,629
Federal Funds	27,964	-	-
Beginning Balance Adjustment			
Other Funds	(1)	(1,818,058,121)	63,442,436



	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Oregon Health Authority</b>			
General Fund Appropriation	3,476,017,225	5,626,518,070	6,225,920,768
Lottery Funds			
Interest Income	144,119	-	-
Other Funds Revenues			
General Fund Revenues	-	614,635	10,900,000
Personal Income Taxes	-	37,200,000	37,200,000
Other Selective Taxes	1,847,739,544	1,466,196,514	1,684,261,422
Business Lic and Fees	30,994,011	17,917,675	17,917,675
Non-business Lic. and Fees	15,058,569	13,658,474	13,658,474
Charges for Services	19,629,501	22,994,778	22,994,778
Admin and Service Charges	4,358,084,307	4,497,975,514	4,933,958,396
Care of State Wards	10,330,914	2,369,042	2,369,042
Fines and Forfeitures	836,455	1,140,607	1,140,607
Rents and Royalties	231,820	-	-
General Fund Obligation Bonds	7,825,608	8,000,000	7,545,000
Revenue Bonds	21,240,000	-	-
Interest Income	35,269,183	4,976,604	4,976,604
Sales Income	9,068,399	9,797,241	9,797,241
Donations	1,000	-	-
Grants (Non-Fed)	47,669,482	108,333	108,333
Other Revenues	1,804,854,689	2,435,098,625	3,268,508,992
Federal Funds	17,620,750,125	19,886,603,353	21,729,209,236
Transfers In			
Lottery Funds	20,380,914	29,624,256	42,788,778
Other Funds	1,927,369,256	1,945,846,114	1,644,734,886
Transfers Out			
Other Funds	(108,639,387)	(182,575,711)	(12,052,816)
Federal Funds	(12,518,494)	(29,214,113)	(29,477,701)

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: HUMAN SERVICES</b>			
<b>Oregon Health Authority</b>			
All Funds Available for Exp	31,543,561,351	36,168,922,711	39,992,567,780
All Expenditures			
General Fund	3,229,382,026	5,626,518,070	6,225,920,768
Lottery Funds	18,685,848	29,624,256	42,788,778
Other Funds	10,027,574,427	10,395,539,826	11,671,812,721
Federal Funds	17,608,259,595	19,857,389,240	21,699,731,535
Total Expenditures	30,883,901,896	35,909,071,392	39,640,253,802
Reversions	(246,635,199)	-	-
Ending Balance			
Lottery Funds	1,839,195	-	-
Other Funds	411,185,061	259,851,319	352,313,978
<b>Psychiatric Security Review Board</b>			
Beginning Balance			
Other Funds	1	-	-
General Fund Appropriation	4,082,379	4,672,439	5,258,148
All Funds Available for Exp	4,082,380	4,672,439	5,258,148
All Expenditures			
General Fund	3,756,569	4,672,439	5,258,148
Total Expenditures	3,756,569	4,672,439	5,258,148
Reversions	(325,810)	-	-

<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
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**PROGRAM AREA: HUMAN SERVICES****Psychiatric Security Review Board****Ending Balance**

Other Funds	1	-	-
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**PROGRAM AREA: PUBLIC SAFETY****Corrections, Dept of****Beginning Balance**

Other Funds	18,628,164	9,131,119	9,131,119
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Federal Funds	2,669,952	-	-
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**Beginning Balance Adjustment**

Other Funds	163,488	97,772,018	9,002,605
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Federal Funds	68,724	-	-
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General Fund Appropriation	1,069,209,818	2,259,508,999	2,637,627,314
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**Other Funds Revenues**

Non-business Lic. and Fees	24,736	-	26,857
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Federal Revenues	114,855	1,254,292	124,705
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Charges for Services	7,211,867	8,734,581	7,830,386
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Admin and Service Charges	9,194,038	5,048,700	9,982,555
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Fines and Forfeitures	733,597	845,328	796,513
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Rents and Royalties	375,847	357,662	408,081
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General Fund Obligation Bonds	85,768,529	72,255,000	86,520,000
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Interest Income	425,365	1,903,091	461,846
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Sales Income	2,986,332	4,147,011	3,242,452
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Donations	50,479	196,293	54,808
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Grants (Non-Fed)	385,907	-	419,004
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Other Revenues	11,354,984	4,493,909	12,328,833
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Federal Funds	3,370,304	2,029,649	2,167,665
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**Transfers In**

Other Funds	1,026,391,227	20,910,086	9,586,444
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**PROGRAM AREA: PUBLIC SAFETY****Corrections, Dept of****Transfers Out**

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Other Funds	(6,507,543)	(4,124,209)	(6,994,993)

All Funds Available for Exp	2,232,620,670	2,484,463,529	2,782,716,194
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**All Expenditures**

General Fund	1,068,533,490	2,259,508,999	2,637,627,314
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Other Funds	1,091,576,379	171,417,659	132,569,983
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Federal Funds	5,810,000	2,029,649	2,167,665
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Total Expenditures	2,165,919,869	2,432,956,307	2,772,364,962
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Reversions	(676,328)	-	-
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**Ending Balance**

Other Funds	65,725,493	51,507,222	10,351,232
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Federal Funds	298,980	-	-
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**Criminal Justice Comm, Oregon****Beginning Balance**

Other Funds	6,978,782	7,064,914	4,172,140
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Federal Funds	5,493,932	5,338,464	7,462,658
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**Beginning Balance Adjustment**

Other Funds	-	1,421,526	-
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Federal Funds	-	(439,663)	-
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General Fund Appropriation	126,488,341	139,468,384	154,337,177
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**Other Funds Revenues**

Fines and Forfeitures	576,935	660,000	460,000
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Interest Income	272,602	10,000	20,000
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Other Revenues	73,815	-	-
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**PROGRAM AREA: PUBLIC SAFETY****Criminal Justice Comm, Oregon**

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Federal Funds	5,621,930	9,707,990	12,981,260
Transfers In			
Lottery Funds	578,865	603,177	628,510
Other Funds	43,587,393	52,677,676	62,500,000
Transfers Out			
Lottery Funds	(117,930)	-	-
All Funds Available for Exp	189,554,665	216,512,468	242,561,745
All Expenditures			
General Fund	121,868,436	139,468,384	154,337,177
Lottery Funds	460,935	603,177	628,510
Other Funds	43,003,134	61,348,502	65,421,869
Federal Funds	6,244,004	13,375,225	15,086,681
Total Expenditures	171,576,509	214,795,288	235,474,237
Reversions	(4,619,905)	-	-
Ending Balance			
Other Funds	8,486,393	485,614	1,730,271
Federal Funds	4,871,858	1,231,566	5,357,237
<b>Department of the State Fire Marshal</b>			
Beginning Balance			
Other Funds	-	-	31,732,712
General Fund Appropriation	-	66,648,738	61,459,624
Other Funds Revenues			
Business Lic and Fees	-	96,000	96,000

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Department of the State Fire Marshal</b>			
Other Funds Revenues			
Fire Marshal Fees	-	1,883,800	1,883,800
Charges for Services	-	545,000	545,000
Fines and Forfeitures	-	36,370	36,370
Interest Income	-	1,800,000	200,000
Other Revenues	-	405,769	431,128
Federal Funds	-	599,769	629,349
Transfers In			
Other Funds	-	105,202,821	101,192,053
Transfers Out			
Other Funds	-	(38,091,951)	(41,142,830)
All Funds Available for Exp	-	139,126,316	157,063,206
All Expenditures			
General Fund	-	66,648,738	61,459,624
Other Funds	-	51,329,575	44,243,149
Federal Funds	-	599,769	629,199
Total Expenditures	-	118,578,082	106,331,972
Ending Balance			
Other Funds	-	20,548,234	50,731,084
Federal Funds	-	-	150
<b>District Attorneys</b>			
General Fund Appropriation	15,155,109	18,463,050	19,596,588
All Funds Available for Exp	15,155,109	18,463,050	19,596,588

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>District Attorneys</b>			
All Expenditures			
General Fund	15,304,988	18,463,050	19,596,588
Total Expenditures	15,304,988	18,463,050	19,596,588
Reversions	149,879	-	-
<b>Emergency Management, Oregon Dept of</b>			
Beginning Balance			
Other Funds	-	14,739,263	79,526,000
Beginning Balance Adjustment			
Other Funds	-	20,500,000	7,430,760
General Fund Appropriation	34,488,049	32,727,184	36,112,413
Other Funds Revenues			
Charges for Services	350,379	-	5,064,477
General Fund Obligation Bonds	4,560,000	15,095,000	-
Interest Income	1,594,865	-	7,149,869
Other Revenues	5,621	369,142	470,039
Federal Funds	521,209,030	1,056,993,556	1,098,413,627
Transfers In			
Other Funds	193,946,694	173,323,052	239,145,702
Federal Funds	149,973	-	-
Transfers Out			
Other Funds	(43,570,569)	(719,378)	(74,486,783)
Federal Funds	(4,549)	(222,071)	-
All Funds Available for Exp	712,729,493	1,312,805,748	1,398,826,104



	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
District Attorneys			
All Expenditures			
General Fund	15,304,988	18,463,050	19,596,588
Total Expenditures	<u>15,304,988</u>	<u>18,463,050</u>	<u>19,596,588</u>
Reversions	149,879	-	-
<b>Emergency Management, Oregon Dept of</b>			
Beginning Balance			
Other Funds	-	14,739,263	79,526,000
Beginning Balance Adjustment			
Other Funds	-	20,500,000	7,430,760
General Fund Appropriation	34,488,049	32,727,184	36,112,413
Other Funds Revenues			
Charges for Services	350,379	-	5,064,477
General Fund Obligation Bonds	4,560,000	15,095,000	-
Interest Income	1,594,865	-	7,149,869
Other Revenues	5,621	369,142	470,039
Federal Funds	521,209,030	1,056,993,556	1,098,413,627
Transfers In			
Other Funds	193,946,694	173,323,052	239,145,702
Federal Funds	149,973	-	-
Transfers Out			
Other Funds	(43,570,569)	(719,378)	(74,486,783)
Federal Funds	(4,549)	(222,071)	-
All Funds Available for Exp	<u>712,729,493</u>	<u>1,312,805,748</u>	<u>1,398,826,104</u>

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
Emergency Management, Oregon Dept of			
All Expenditures			
General Fund	39,256,625	32,727,184	36,112,413
Other Funds	76,096,971	186,264,049	185,666,438
Federal Funds	521,354,454	1,056,771,485	1,098,413,627
Total Expenditures	<u>636,708,050</u>	<u>1,275,762,718</u>	<u>1,320,192,478</u>
Reversions	4,768,576	-	-
Ending Balance			
Other Funds	80,790,019	37,043,030	78,633,626
Justice, Dept of			
Beginning Balance			
Other Funds	79,700,399	50,420,591	53,920,591
Beginning Balance Adjustment			
Other Funds	-	43,004,299	43,004,299
General Fund Appropriation	186,074,285	206,488,533	194,599,682
Other Funds Revenues			
General Fund Revenues	58,683	-	-
Business Lic and Fees	11,226,146	7,952,500	7,952,500
Federal Revenues	10,548,347	14,467,460	14,467,460
Charges for Services	258,645,519	412,642,720	461,202,319
Admin and Service Charges	50,733,700	-	-
Fines and Forfeitures	28,768,239	762,254	762,254
General Fund Obligation Bonds	-	26,520,000	26,200,000
Interest Income	157,067	113,361	113,361
Sales Income	18,280	20,050	20,050
Donations	107,144	3,180	3,180
Other Revenues	13,138,955	23,277,009	23,279,009

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Justice, Dept of</b>			
Federal Funds	192,769,413	222,471,269	212,807,172
Transfers In			
Other Funds	47,182,729	51,666,591	40,416,963
Transfers Out			
Other Funds	(974,277)	(1,296,599)	(7,406,272)
Federal Funds	-	-	(1,320,000)
All Funds Available for Exp	879,902,206	1,058,513,218	1,070,022,568
All Expenditures			
General Fund	175,815,614	206,488,533	194,599,682
Other Funds	381,554,282	530,805,521	533,364,744
Federal Funds	194,487,736	222,471,269	211,487,172
Total Expenditures	751,857,632	959,765,323	939,451,598
Reversions	(10,258,671)	-	-
Ending Balance			
Other Funds	117,785,903	98,747,895	130,570,970
<b>Military Dept, Oregon</b>			
Beginning Balance			
Other Funds	37,528,533	3,616,648	8,160,693
Beginning Balance Adjustment			
Other Funds	(2)	191,700	-
General Fund Appropriation	47,950,936	42,299,611	52,741,756
Other Funds Revenues			
Federal Revenues	2,109,308	2,468,629	3,133,293

**PROGRAM AREA: PUBLIC SAFETY****Military Dept, Oregon**

## Other Funds Revenues

Charges for Services	9,028,339	5,923,722	5,927,191
Rents and Royalties	3,057,382	3,772,682	4,208,569
General Fund Obligation Bonds	20,056,701	8,550,000	36,280,000
Interest Income	905,810	783,400	133,000
Sales Income	796,516	3,731,905	21,000
Donations	119,000	-	-
Other Revenues	68,105	11,500	11,500

Federal Funds	298,160,166	177,077,133	223,538,922
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## Transfers In

Other Funds	123,485,204	8,209,490	14,531,890
Federal Funds	4,555	-	-

## Transfers Out

Other Funds	(87,350,816)	-	(68,919)
Federal Funds	(3,072,045)	(2,832,935)	(3,181,081)

All Funds Available for Exp	452,847,692	253,803,485	345,437,814
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## All Expenditures

General Fund	42,510,840	42,299,611	52,741,756
Other Funds	100,051,433	36,009,845	65,437,336
Federal Funds	295,092,676	174,244,198	220,000,642

Total Expenditures	437,654,949	252,553,654	338,179,734
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Reversions	(5,440,096)	-	-
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## Ending Balance

Other Funds	9,752,647	1,249,831	6,900,881
Federal Funds	-	-	357,199

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
Oregon Youth Authority			
Beginning Balance			
Other Funds	1,301,123	344,557	344,557
Federal Funds	1,297,842	-	-
Beginning Balance Adjustment			
Other Funds	(956,566)	-	-
Federal Funds	(1,297,842)	-	-
General Fund Appropriation	272,742,971	418,755,516	468,823,677
Other Funds Revenues			
Charges for Services	450,660	80,356	81,379
Admin and Service Charges	113,643	-	-
Care of State Wards	276,214	2,647,791	2,818,539
Rents and Royalties	32,838	-	-
General Fund Obligation Bonds	31,901,071	20,823,239	28,275,000
Interest Income	1,138,574	83,100	-
Sales Income	433,282	254,283	254,283
Donations	21,143	-	-
Grants (Non-Fed)	108,695	-	-
Other Revenues	(2,665,113)	9,169,831	3,181,575
Federal Funds	-	46,844,302	45,801,648
Transfers In			
Other Funds	208,939,700	2,157,933	2,116,830
Federal Funds	27,388,961	-	-
Transfers Out			
Other Funds	(100,032,052)	-	-
All Funds Available for Exp	441,195,144	501,160,908	551,697,488
All Expenditures			
General Fund	251,200,913	418,755,516	468,823,677
Other Funds	140,718,655	35,124,430	36,635,503

**PROGRAM AREA: PUBLIC SAFETY****Oregon Youth Authority**

## All Expenditures

## Federal Funds

27,388,961

46,844,302

45,703,555

## Total Expenditures

419,308,529

500,724,248

551,162,735

## Reversions

(21,542,058)

-

-

## Ending Balance

## Other Funds

344,557

436,660

436,660

## Federal Funds

-

-

98,093

**Parole & Post Prison Supervision, State Board of**

## Beginning Balance

## Other Funds

32,901

35,637

32,179

## Beginning Balance Adjustment

## Other Funds

-

(3,514)

-

## General Fund Appropriation

11,629,057

14,027,372

14,054,847

## Other Funds Revenues

## Fines and Forfeitures

-

1,000

-

## Sales Income

81

404

-

## All Funds Available for Exp

11,662,039

14,060,899

14,087,026

## All Expenditures

## General Fund

10,126,834

14,027,372

14,054,847

## Other Funds

841

12,696

13,229

## Total Expenditures

10,127,675

14,040,068

14,068,076

## Reversions

(1,502,223)

-

-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Parole &amp; Post Prison Supervision, State Board of</b>			
Ending Balance			
Other Funds	32,141	20,831	18,950
<b>Police, Dept of State</b>			
Beginning Balance			
Lottery Funds	1,745,504	-	-
Other Funds	42,004,567	27,051,471	4,500,000
Federal Funds	3,303,266	-	-
Beginning Balance Adjustment			
Lottery Funds	-	395,300	395,300
Other Funds	-	2,500,000	6,900,000
General Fund Appropriation	536,746,711	491,941,814	549,164,508
<b>Other Funds Revenues</b>			
Business Lic and Fees	3,120,929	3,014,842	3,160,000
Non-business Lic. and Fees	2,924,870	2,836,116	2,900,000
Fire Marshal Fees	1,799,526	-	-
Charges for Services	42,016,486	43,125,581	47,516,500
Admin and Service Charges	53,333	36,000	70,000
Fines and Forfeitures	318,695	-	-
Rents and Royalties	26,249	25,332	80,000
General Fund Obligation Bonds	106,036,568	55,775,000	7,080,000
Interest Income	5,102,277	-	-
Sales Income	25,034	18,178	28,178
Donations	97,711	-	-
Other Revenues	2,457,975	9,933,398	6,301,221
Federal Funds	11,058,795	14,660,025	14,729,927
<b>Transfers In</b>			
Lottery Funds	10,318,544	9,356,441	11,443,643
Other Funds	205,282,377	74,821,726	88,507,032



**PROGRAM AREA: PUBLIC SAFETY****Police, Dept of State**

## Transfers In

Federal Funds

3,050

-

-

## Transfers Out

Other Funds

(56,041,212)

(22,009,707)

(16,622,274)

Federal Funds

(3,050)

-

-

## All Funds Available for Exp

918,398,205

713,481,517

726,154,035

## All Expenditures

General Fund

536,205,975

491,941,814

549,164,508

Lottery Funds

9,809,628

9,751,741

11,838,943

Other Funds

287,216,610

185,910,427

141,307,588

Federal Funds

9,449,040

14,660,025

14,729,927

## Total Expenditures

842,681,253

702,264,007

717,040,966

## Reversions

(540,736)

-

-

## Ending Balance

Lottery Funds

2,254,420

-

-

Other Funds

68,008,775

11,217,510

9,113,069

Federal Funds

4,913,021

-

-

**Public Defense Svcs Comm**

## Beginning Balance

General Fund

538,743

-

-

Other Funds

379,903

-

-

## Beginning Balance Adjustment

General Fund

(538,743)

-

-

## General Fund Appropriation

448,110,372

591,596,364

686,355,727

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Public Defense Svcs Comm</b>			
Other Funds Revenues			
General Fund Obligation Bonds	-	-	13,915,000
Other Revenues	5	3,903,282	2,320,011
Transfers In			
Other Funds	17,478,687	18,449,667	17,497,594
Transfers Out			
Other Funds	(2,148,871)	-	-
All Funds Available for Exp	463,820,096	613,949,313	720,088,332
All Expenditures			
General Fund	433,471,652	591,596,364	686,355,727
Other Funds	15,540,114	22,352,949	33,732,605
Total Expenditures	449,011,766	613,949,313	720,088,332
Reversions	(14,638,720)	-	-
Ending Balance			
Other Funds	169,610	-	-
<b>Public Safety Standards &amp; Training, Dept of</b>			
Beginning Balance			
Other Funds	9,790,656	10,035,491	6,228,422
Federal Funds	21,620	-	-
Beginning Balance Adjustment			
Other Funds	17,806	843,633	-
General Fund Appropriation	9,107,640	8,773,470	9,624,053
Other Funds Revenues			
Business Lic and Fees	2,940,662	3,954,860	4,979,969
Charges for Services	30,584	182,304	31,799

**PROGRAM AREA: PUBLIC SAFETY****Public Safety Standards & Training, Dept of****Other Funds Revenues**

Admin and Service Charges	49,289	21,000	59,455
Fines and Forfeitures	14,275	30,000	15,000
Rents and Royalties	1,223,117	1,546,395	923,117
General Fund Obligation Bonds	-	-	3,510,000
Interest Income	13,036	3,000	7,036
Donations	-	8,848	-
Other Revenues	21,452	5,500	-

Federal Funds	6,850,548	7,799,996	8,219,812
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**Transfers In**

Other Funds	54,278,631	63,304,166	80,497,199
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**Transfers Out**

Other Funds	(872,316)	(503,646)	(1,958,452)
Federal Funds	(172,150)	(146,112)	(252,000)

All Funds Available for Exp	83,314,850	95,858,905	111,885,410
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**All Expenditures**

General Fund	9,107,624	8,773,470	9,624,053
Other Funds	56,765,070	72,427,141	90,056,787
Federal Funds	6,685,398	7,652,537	7,967,812

Total Expenditures	72,558,092	88,853,148	107,648,652
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Reversions	(16)	-	-
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**Ending Balance**

Other Funds	10,742,122	7,004,410	4,236,758
Federal Funds	14,620	1,347	-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Employment Dept</b>			
Beginning Balance			
Other Funds	282,582,851	5,690,360,508	7,154,603,660
Federal Funds	19,861,412	-	-
Beginning Balance Adjustment			
Other Funds	-	15,430,233	-
General Fund Appropriation	48,765,505	5,767,819	-
Other Funds Revenues			
Employment Taxes	6,714,183	4,867,228,817	4,814,693,655
Non-business Lic. and Fees	-	70,000	490,000
Charges for Services	50,905,882	83,937,574	83,589,916
Fines and Forfeitures	-	35,900,206	55,994,140
Rents and Royalties	615,419	-	-
Interest Income	17,644	161,456,845	362,041,131
Other Revenues	1,514,387	30,091,914	30,000,000
Federal Funds	1,316,689,411	281,200,453	255,650,689
Transfers In			
Other Funds	1,296,020,804	2,971,762,583	4,295,473,497
Federal Funds	1,097,493,739	6,000,000	6,000,000
Transfers Out			
Other Funds	(9,982,282)	(2,979,172,039)	(4,303,622,238)
Federal Funds	(1,078,518,319)	(6,000,000)	(6,000,000)
All Funds Available for Exp	3,032,741,196	11,164,034,913	12,748,914,450
All Expenditures			
General Fund	33,941,652	5,767,819	-
Other Funds	1,324,024,869	3,046,095,873	4,361,004,350
Federal Funds	1,355,524,965	277,914,201	255,650,689

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Employment Dept</b>			
Total Expenditures	2,713,491,486	3,329,777,893	4,616,655,039
Reversions	(14,823,853)	-	-
Ending Balance			
Other Funds	304,425,857	7,830,970,768	8,132,259,411
Federal Funds	-	3,286,252	-
<b>Housing &amp; Community Svcs Dept</b>			
Beginning Balance			
Other Funds	557,718,189	704,469,822	881,815,319
Beginning Balance Adjustment			
Lottery Funds	-	162,965	-
Other Funds	-	58,079,722	-
General Fund Appropriation	923,982,969	846,477,625	1,143,922,457
Lottery Funds			
Interest Income	198,178	-	-
Other Funds Revenues			
Other Selective Taxes	2,578,432	1,923,474	2,640,000
Non-business Lic. and Fees	222,550	236,476	223,200
Public Utilities Fees	104,262,454	90,104,830	109,848,500
Charges for Services	1,220,133	1,707,666	2,640,000
Admin and Service Charges	50,418,358	53,625,824	49,565,203
Fines and Forfeitures	28,812	43,500	40,000
General Fund Obligation Bonds	411,685,000	604,280,000	886,330,000
Dedicated Fund Oblig Bonds	-	50,000,000	-
Lottery Bonds	53,130,000	50,525,793	186,720,566
Revenue Bonds	295,925,000	500,000,000	-
Interest Income	98,288,289	94,917,802	131,721,490

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Housing &amp; Community Svcs Dept</b>			
Other Funds Revenues			
Donations	569,330	-	-
Housing Div Loan Repayments	245,336,652	321,650,417	145,793,236
Other Revenues	2,182,089	8,926,797	340,640
Federal Funds	821,319,402	589,204,639	524,230,340
Transfers In			
Lottery Funds	26,007,276	29,544,065	46,675,634
Other Funds	1,041,015,933	624,514,393	429,871,786
Federal Funds	-	-	6,320,777
Transfers Out			
Other Funds	(470,281,226)	(376,931,842)	(193,215,916)
Federal Funds	-	-	(6,281,608)
All Funds Available for Exp	4,165,807,820	4,253,463,968	4,349,201,624
All Expenditures			
General Fund	895,578,308	846,477,625	1,143,922,457
Lottery Funds	25,217,808	29,707,030	46,675,634
Other Funds	1,536,285,212	2,246,803,100	2,448,785,385
Federal Funds	821,319,402	589,204,639	523,913,316
Total Expenditures	3,278,400,730	3,712,192,394	4,163,296,792
Reversions	(28,404,661)	-	-
Ending Balance			
Lottery Funds	987,646	-	-
Other Funds	858,014,783	541,271,574	185,548,639
Federal Funds	-	-	356,193

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Oregon Business Development Department</b>			
Beginning Balance			
Lottery Funds	7,228,489	-	-
Other Funds	555,454,298	696,109,117	579,725,477
Federal Funds	13,897,035	12,569,000	12,569,000
Beginning Balance Adjustment			
Lottery Funds	(177,479)	14,318,556	4,241,056
Other Funds	-	776,554,093	502,643,953
Federal Funds	114,491	-	43,877,119
General Fund Appropriation	273,338,524	318,799,824	212,438,501
Lottery Funds			
Interest Income	641,918	-	-
Other Revenues	384,491	-	-
Other Funds Revenues			
Non-business Lic. and Fees	15	-	-
Charges for Services	1,872,545	586,400	603,855
Rents and Royalties	12,824	100,000	100,000
General Fund Obligation Bonds	134,705,000	151,455,000	151,490,000
Lottery Bonds	84,305,000	141,955,445	358,151,418
Revenue Bonds	13,210,000	30,000,000	30,000,000
Interest Income	56,427,094	37,413,455	74,744,563
Donations	10,849,926	10,338,000	10,846,513
Loan Repayments	88,373,554	73,903,900	65,479,310
Other Revenues	4,896,275	732,960	1,850,554
Federal Funds	73,299,400	122,642,479	77,050,621
Transfers In			
Lottery Funds	236,528,514	163,533,025	195,995,652
Other Funds	778,638,256	350,151,186	281,976,568
Federal Funds	150,833	-	-



	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Oregon Business Development Department</b>			
Transfers Out			
Lottery Funds	(95,961,960)	-	-
Other Funds	(133,289,432)	(51,212,735)	(56,299,627)
Federal Funds	(121,022)	-	-
All Funds Available for Exp	2,107,078,206	2,849,949,705	2,547,484,533
All Expenditures			
General Fund	445,946,186	318,799,824	212,438,501
Lottery Funds	133,568,697	177,780,001	200,236,708
Other Funds	390,520,580	1,633,184,041	1,572,507,861
Federal Funds	49,801,034	127,504,132	94,273,416
Total Expenditures	1,019,836,497	2,257,267,998	2,079,456,486
Reversions	172,607,662	-	-
Ending Balance			
Lottery Funds	15,075,276	71,580	-
Other Funds	1,204,934,775	584,902,780	428,804,723
Federal Funds	39,839,320	7,707,347	39,223,324
<b>Veterans' Affairs, Oregon Dept of</b>			
Beginning Balance			
Lottery Funds	1,197,931	-	-
Other Funds	194,589,770	131,420,869	125,222,152
Federal Funds	144,318	-	-
Beginning Balance Adjustment			
Lottery Funds	-	2,130	-
Other Funds	-	1,600,000	-
General Fund Appropriation	9,140,366	9,795,850	10,417,559

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
Veterans' Affairs, Oregon Dept of			
Lottery Funds			
Interest Income	185,801	-	-
Other Revenues	8,728	-	-
Other Funds Revenues			
Business Lic and Fees	142,767	150,000	150,000
Non-business Lic. and Fees	39,395	60,000	60,000
Charges for Services	1,266,423	115,380,498	121,312,860
Admin and Service Charges	38,555,251	3,206,565	3,206,565
Rents and Royalties	1,593,923	1,680,000	1,680,000
General Fund Obligation Bonds	(821,570)	-	35,350,000
Dedicated Fund Oblig Bonds	140,908,818	140,000,000	319,580,000
Lottery Bonds	5,510,000	-	-
Interest Income	26,276,100	50,135,000	50,135,000
Sales Income	5,145	5,000	5,000
Donations	580,603	1,250,000	2,850,000
Veterans Loan Repayments	99,985,506	80,000,000	80,000,000
Insurance Premiums	259,051	-	-
Other Revenues	141,504	3,285,482	560,000
Federal Funds	1,832,108	3,932,620	1,961,694
Transfers In			
Lottery Funds	23,550,281	23,551,228	26,071,414
Other Funds	379,296,893	135,676,755	86,426,263
Transfers Out			
Lottery Funds	(3,114,424)	(650,000)	(650,000)
Other Funds	(379,497,490)	(135,441,099)	(86,201,852)
Federal Funds	(912,356)	-	-
All Funds Available for Exp	596,575,031	565,040,898	778,136,655
All Expenditures			
General Fund	7,947,203	9,795,850	10,417,559

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
Veterans' Affairs, Oregon Dept of			
All Expenditures			
Lottery Funds	17,928,443	22,903,358	25,421,414
Other Funds	378,378,594	402,550,696	574,554,547
Federal Funds	524,738	3,932,620	1,961,694
Total Expenditures	404,778,978	439,182,524	612,355,214
Reversions	(1,193,163)	-	-
Ending Balance			
Lottery Funds	3,899,874	-	-
Other Funds	186,163,684	125,858,374	165,781,441
Federal Funds	539,332	-	-
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Agriculture, Oregon Dept of			
Beginning Balance			
Lottery Funds	1,516,131	-	-
Other Funds	42,438,903	33,030,872	33,030,872
Federal Funds	46,741	-	-
Beginning Balance Adjustment			
Lottery Funds	-	-	941,585
Other Funds	-	8,547,851	7,789,995
General Fund Appropriation	80,505,340	57,988,648	42,206,989
Other Funds Revenues			
General Fund Revenues	768	-	-
Business Lic and Fees	43,400,155	44,741,441	47,931,140
Federal Revenues - Svc Contracts	1,095,356	1,686,656	1,652,288
Charges for Services	19,884,773	20,907,895	23,397,537

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Agriculture, Oregon Dept of</b>			
Other Funds Revenues			
Admin and Service Charges	87,813	121,832	121,832
Fines and Forfeitures	464,455	592,705	592,705
General Fund Obligation Bonds	-	-	15,350,000
Interest Income	1,323,315	445,052	1,319,472
Sales Income	22,618	17,214	17,214
Other Revenues	343,611	236,927	260,584
Federal Funds	17,860,142	25,916,353	25,523,129
Transfers In			
Lottery Funds	10,563,918	9,349,430	8,936,239
Other Funds	58,035,958	18,320,151	18,431,027
Transfers Out			
Lottery Funds	(300,000)	-	-
Other Funds	(14,596,879)	(12,892,713)	(15,467,174)
Federal Funds	(1,787,130)	(1,300,000)	(1,300,000)
All Funds Available for Exp	260,905,988	207,710,314	210,735,434
All Expenditures			
General Fund	75,001,221	57,988,648	42,206,989
Lottery Funds	10,491,201	9,323,768	9,877,824
Other Funds	90,737,302	97,593,748	112,934,774
Federal Funds	16,097,385	24,616,353	24,220,694
Total Expenditures	192,327,109	189,522,517	189,240,281
Reversions	(5,504,119)	-	-
Ending Balance			
Lottery Funds	1,288,848	25,662	-
Other Funds	61,763,544	18,162,135	21,492,718

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Agriculture, Oregon Dept of</b>			
Ending Balance			
Federal Funds	22,368	-	2,435
<b>Columbia River Gorge Comm</b>			
General Fund Appropriation	1,408,207	2,502,980	2,076,661
All Funds Available for Exp	1,408,207	2,502,980	2,076,661
All Expenditures			
General Fund	1,377,034	2,502,980	2,076,661
Total Expenditures	1,377,034	2,502,980	2,076,661
Reversions	(31,173)	-	-
<b>Energy, Dept of</b>			
Beginning Balance			
Lottery Funds	-	16,896	-
Other Funds	15,401,889	34,462,202	58,074,503
Federal Funds	42,978	29,870	29,870
Beginning Balance Adjustment			
Lottery Funds	-	5,944	-
Other Funds	5,374	61,200,447	7,099,117
Federal Funds	-	619,163	619,163
General Fund Appropriation	107,145,789	61,413,105	40,092,499
Lottery Funds			
Interest Income	8,726	-	-

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Energy, Dept of			
Other Funds Revenues			
Business Lic and Fees	6,699,542	5,280,256	5,280,256
Charges for Services	2,380,144	4,699,736	4,998,228
Admin and Service Charges	15,642,944	15,820,311	15,820,311
Fines and Forfeitures	16,345	9,700	9,700
Interest Income	8,303,988	8,292,768	8,292,768
Loan Repayments	20,119,432	20,150,770	20,150,770
Other Revenues	6,124	344,457	975,937
Federal Funds	3,768,508	17,366,886	24,064,602
Transfers In			
Lottery Funds	3,013,841	1,416,320	-
Other Funds	142,474,568	86,276,542	78,648,604
Transfers Out			
Other Funds	(72,175,296)	(47,070,475)	(50,748,553)
Federal Funds	(1,083,911)	(1,206,067)	(1,900,051)
All Funds Available for Exp	251,770,985	269,128,831	211,507,724
All Expenditures			
General Fund	99,490,660	61,413,105	40,092,499
Lottery Funds	3,022,567	1,439,160	-
Other Funds	70,115,144	176,816,557	137,723,176
Federal Funds	2,699,640	16,211,130	22,728,046
Total Expenditures	175,328,011	255,879,952	200,543,721
Reversions	(7,655,129)	-	-
Ending Balance			
Other Funds	68,759,910	12,650,157	10,878,465

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Energy, Dept of			
Ending Balance			
Federal Funds	27,935	598,722	85,538
Environmental Quality, Dept of			
Beginning Balance			
Lottery Funds	1,474	1,545,250	72,366
Other Funds	402,017,978	433,482,647	405,440,593
Federal Funds	1,456	-	-
General Fund Appropriation	109,846,109	90,277,625	84,639,686
Other Funds Revenues			
General Fund Revenues	3,889,824	1,000,000	1,000,000
Business Lic and Fees	99,636,469	110,942,306	122,162,280
Non-business Lic. and Fees	32,596,935	33,274,583	37,689,305
Federal Revenues	28,682,861	103,000,000	173,000,000
Charges for Services	84,492,209	26,802,766	48,819,769
Admin and Service Charges	10,846,127	9,867,347	12,470,772
Fines and Forfeitures	319,606	225,000	335,000
General Fund Obligation Bonds	-	41,133,333	72,396,666
Dedicated Fund Oblig Bonds	-	20,000,000	-
Private Placement / Borrowings	4,595,000	-	-
Interest Income	32,042,883	24,770,349	27,409,949
Loan Repayments	61,312,490	95,000,000	95,000,000
Other Revenues	28,664,508	39,616,422	27,667,639
Federal Funds	24,818,754	48,885,296	49,118,310
Transfers In			
Lottery Funds	7,813,495	5,283,622	6,954,668
Other Funds	122,835,025	128,449,737	152,601,504
Transfers Out			
Other Funds	(52,682,602)	(75,824,105)	(101,800,879)



	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Environmental Quality, Dept of			
Transfers Out			
Federal Funds	(3,410,923)	(5,889,308)	(5,869,346)
All Funds Available for Exp	998,319,678	1,131,842,870	1,209,108,282
All Expenditures			
General Fund	106,936,680	90,277,625	84,639,686
Lottery Funds	6,263,230	6,812,996	7,027,034
Other Funds	351,343,570	614,074,714	721,839,622
Federal Funds	21,407,829	42,750,723	43,232,998
Total Expenditures	485,951,309	753,916,058	856,739,340
Reversions	(2,909,429)	-	-
Ending Balance			
Lottery Funds	1,551,739	15,876	-
Other Funds	507,905,743	377,665,671	352,352,976
Federal Funds	1,458	245,265	15,966
Fish & Wildlife, Oregon Dept of			
Beginning Balance			
Other Funds	89,567,909	62,505,145	62,505,145
Beginning Balance Adjustment			
Lottery Funds	-	-	250,000
Other Funds	-	27,344,745	47,435,975
General Fund Appropriation	75,447,796	70,912,893	65,983,114
Other Funds Revenues			
Business Lic and Fees	14,190,416	5,998,770	7,399,903
Non-business Lic. and Fees	11,428	-	-
Hunter and Angler Licenses	117,714,337	127,095,663	144,849,018

**PROGRAM AREA: NATURAL RESOURCES****Fish & Wildlife, Oregon Dept of****Other Funds Revenues**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
Commercial Fish Lic and Fees	11,972,521	10,917,583	12,694,434
Park User Fees	1,343,568	1,423,554	1,288,625
Charges for Services	122,540	20,542,531	25,743,666
Fines and Forfeitures	2,146,375	-	-
Rents and Royalties	1,232,804	500,000	700,000
General Fund Obligation Bonds	5,017,413	2,540,000	25,500,000
Lottery Bonds	-	13,931,834	-
Interest Income	4,281,474	397,000	1,800,000
Sales Income	600,770	3,685,405	225,000
Donations	942,545	1,346,736	241,000
Grants (Non-Fed)	8,340,956	-	-
Other Revenues	6,707,496	12,668,363	50,000

Federal Funds	157,686,259	247,951,064	234,296,165
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**Transfers In**

Lottery Funds	13,529,334	7,253,334	9,753,454
Other Funds	266,500,432	118,744,708	131,701,018
Federal Funds	88,732	-	-

**Transfers Out**

Lottery Funds	(6,642,752)	-	-
Other Funds	(204,589,025)	(65,988,620)	(81,941,031)
Federal Funds	(26,655,597)	(24,000,000)	(25,440,000)

All Funds Available for Exp	540,261,917	645,770,708	665,035,486
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**All Expenditures**

General Fund	74,319,235	70,912,893	65,983,114
Lottery Funds	6,886,493	7,253,227	10,003,454
Other Funds	194,731,818	292,692,770	311,764,782
Federal Funds	131,357,078	223,951,064	208,852,722

**PROGRAM AREA: NATURAL RESOURCES****Fish & Wildlife, Oregon Dept of****Total Expenditures**

<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
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	<b>407,294,624</b>	<b>594,809,954</b>	<b>596,604,072</b>
Reversions	(1,128,561)	-	-
Ending Balance			
Lottery Funds	89	107	-
Other Funds	131,838,643	50,960,647	68,427,971
Federal Funds	-	-	3,443
Forestry, Dept of			
Beginning Balance			
Lottery Funds	995,338	-	-
Other Funds	106,860,911	-	-
Federal Funds	9,562,944	-	-
Beginning Balance Adjustment			
Lottery Funds	(1,008,172)	16,850	-
Other Funds	-	70,370	-
General Fund Appropriation	296,979,504	206,283,183	291,314,733
Lottery Funds			
Interest Income	19,210	-	-
Other Funds Revenues			
Forest Protection Taxes	57,461,635	192,329,892	113,466,340
Business Lic and Fees	91,280	1,743,057	2,036,303
Non-business Lic. and Fees	665,553	-	-
Park User Fees	313,051	-	326,200
Charges for Services	119,417,433	62,568,124	27,796,692
Admin and Service Charges	2,336,227	-	251,505
Fines and Forfeitures	9,339	-	2,180,000
Rents and Royalties	18,875,793	18,683,613	18,793,715

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Forestry, Dept of			
Other Funds Revenues			
General Fund Obligation Bonds	4,132,842	5,199,047	11,309,219
Dedicated Fund Oblig Bonds	-	15,500,000	51,550,000
Interest Income	626,473	-	33,420
Sales Income	7,052,980	498,648	1,200,840
State Forest Lands Sales	209,185,845	259,237,647	225,035,289
Common School Lands Sales	5,962,676	8,276,508	2,702,004
Donations	923,852	423,751	961,990
Loan Repayments	-	1,758,119	-
Other Revenues	1,817,202	47,713,045	71,885,964
Federal Funds	24,755,642	85,574,436	99,607,282
Transfers In			
Lottery Funds	2,557,825	2,540,230	2,558,120
Other Funds	191,561,632	121,723,255	273,665,442
Federal Funds	759,597	-	-
Transfers Out			
Other Funds	(206,229,653)	(214,037,332)	(204,373,640)
Federal Funds	(1,786,648)	-	-
All Funds Available for Exp	853,900,311	816,102,443	992,301,418
All Expenditures			
General Fund	282,485,996	206,283,183	291,314,733
Lottery Funds	2,564,201	2,557,080	2,558,120
Other Funds	383,063,337	439,503,895	453,775,258
Federal Funds	28,185,123	81,911,546	84,701,219
Total Expenditures	696,298,657	730,255,704	832,349,330
Reversions	(14,493,508)	-	-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Forestry, Dept of</b>			
Ending Balance			
Other Funds	138,001,734	82,183,849	145,046,025
Federal Funds	5,106,412	3,662,890	14,906,063
<b>Geology &amp; Mineral Industries, Dept of</b>			
Beginning Balance			
Other Funds	1,124,908	1,692,399	2,747,448
Federal Funds	(25,919)	-	-
Beginning Balance Adjustment			
Other Funds	-	255,144	-
General Fund Appropriation	6,444,037	9,844,208	10,450,493
Other Funds Revenues			
Non-business Lic. and Fees	4,422,599	4,725,175	9,659,075
Charges for Services	1,777,604	1,775,499	2,300,000
Fines and Forfeitures	24,250	18,000	-
Interest Income	32,264	10,250	75,000
Sales Income	3,807	-	-
Other Revenues	162,611	160,200	89,000
Federal Funds	4,570,628	5,663,435	5,988,729
Transfers In			
Other Funds	425,672	457,052	10,511,200
All Funds Available for Exp	18,962,461	24,601,362	41,820,945
All Expenditures			
General Fund	5,955,423	9,844,208	10,450,493
Other Funds	6,087,655	7,741,135	21,744,290
Federal Funds	4,651,819	5,663,435	5,988,729

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Geology & Mineral Industries, Dept of			
Total Expenditures	16,694,897	23,248,778	38,183,512
Reversions	(488,614)	-	-
Ending Balance			
Other Funds	1,886,060	1,352,584	3,637,433
Federal Funds	(107,110)	-	-
Land Conservation & Development, Dept of			
Beginning Balance			
Other Funds	246,994	-	300,000
Beginning Balance Adjustment			
Other Funds	-	-	7,294,000
Federal Funds	158,244	-	-
General Fund Appropriation	26,114,458	50,842,495	48,825,604
Other Funds Revenues			
Business Lic and Fees	9,700	-	-
Charges for Services	2,836	50,625	50,625
Interest Income	2,195	1,808	1,808
Other Revenues	253,482	668,972	311,802
Federal Funds	4,480,062	9,534,680	9,641,022
Transfers In			
Other Funds	1,387,686	18,780,160	7,996,260
Transfers Out			
Other Funds	(7,482)	-	(2,670,741)
All Funds Available for Exp	32,648,175	79,878,740	71,750,380

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
Land Conservation & Development, Dept of			
All Expenditures			
General Fund	25,183,788	50,842,495	48,825,604
Other Funds	1,554,241	19,007,494	12,887,095
Federal Funds	4,473,537	9,534,680	9,576,656
Total Expenditures	31,211,566	79,384,669	71,289,355
Reversions	(930,670)	-	-
Ending Balance			
Other Funds	341,170	494,071	396,659
Federal Funds	164,769	-	64,366
Land Use Board of Appeals			
Beginning Balance			
Other Funds	37,628	12,215	26,396
Beginning Balance Adjustment			
Other Funds	-	37,961	4,220
General Fund Appropriation	2,686,644	2,994,485	3,907,929
Other Funds Revenues			
General Fund Revenues	84,100	138,100	110,000
Rents and Royalties	9,000	9,000	9,000
Sales Income	7,425	35,000	-
Other Revenues	1,046	500	-
Transfers Out			
Other Funds	(84,100)	(138,100)	(110,000)
All Funds Available for Exp	2,741,743	3,089,161	3,947,545
All Expenditures			
General Fund	2,595,218	2,994,485	3,907,929



**PROGRAM AREA: NATURAL RESOURCES****Land Use Board of Appeals**

## All Expenditures

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Other Funds	12,229	38,019	39,616
<b>Total Expenditures</b>	<b>2,607,447</b>	<b>3,032,504</b>	<b>3,947,545</b>
Reversions	(91,426)	-	-
Ending Balance			
Other Funds	42,870	56,657	-

## Total Expenditures

## Reversions

## Ending Balance

**Lands, Dept of State**

## Beginning Balance

Other Funds	1,338,751,689	1,680,161,321	1,716,087,855
Federal Funds	370,928	1,804,002	1,875,747
Beginning Balance Adjustment			
Other Funds	-	(274,735)	(274,735)
General Fund Appropriation	123,060,000	4,002,152	442,576

## Beginning Balance Adjustment

## General Fund Appropriation

## Other Funds Revenues

Business Lic and Fees	7,500	25,000	25,000
Non-business Lic. and Fees	3,207,603	6,000,000	6,326,039
Federal Revenues	1,397,947	1,000,000	1,085,000
Charges for Services	728,191	800,000	801,153
Fines and Forfeitures	212,389	200,000	206,519
Rents and Royalties	10,405,243	15,000,000	13,652,149
Interest Income	72,598,586	80,000,001	97,146,995
Sales Income	138,617	25,000	770,000
Common School Lands Sales	4,095	3,000,000	10,000,000
Donations	30,000	-	282,000
Other Revenues	168,303,764	151,184,888	141,876,271

**PROGRAM AREA: NATURAL RESOURCES****Lands, Dept of State**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
Federal Funds	2,481,981	5,655,619	6,331,802
Transfers In			
Other Funds	154,032,160	46,131,857	54,405,360
Transfers Out			
Other Funds	(210,149,202)	(173,536,849)	(217,310,861)
All Funds Available for Exp	1,665,581,491	1,821,178,256	1,833,728,870
All Expenditures			
General Fund	123,060,000	4,002,152	442,576
Other Funds	68,122,351	93,902,552	109,481,400
Federal Funds	2,477,678	5,580,888	6,529,002
Total Expenditures	193,660,029	103,485,592	116,452,978
Ending Balance			
Other Funds	1,471,546,231	1,715,813,931	1,715,597,345
Federal Funds	375,231	1,878,733	1,678,547

**Marine Board, Oregon State**

Beginning Balance			
Other Funds	12,121,511	9,816,710	18,802,109
Other Funds Revenues			
Non-business Lic. and Fees	21,985,366	21,046,895	20,461,540
Fines and Forfeitures	103,622	94,190	93,519
Interest Income	545,891	123,950	820,000
Donations	5,148	-	-
Other Revenues	266,873	147,036	266,518
Federal Funds	5,110,240	6,993,480	7,022,955

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Marine Board, Oregon State</b>			
Transfers In			
Other Funds	30,966,817	33,045,599	33,761,532
Transfers Out			
Other Funds	(19,262,560)	(22,045,599)	(21,961,835)
All Funds Available for Exp	51,842,908	49,222,261	59,266,338
All Expenditures			
Other Funds	28,641,245	33,059,376	36,755,918
Federal Funds	5,110,240	6,993,480	7,022,955
Total Expenditures	33,751,485	40,052,856	43,778,873
Ending Balance			
Other Funds	18,091,423	9,169,405	15,487,465
<b>Parks &amp; Recreation Dept</b>			
Beginning Balance			
Lottery Funds	41,549,852	55,718,671	80,335,458
Other Funds	74,291,955	86,840,484	63,691,204
Beginning Balance Adjustment			
Lottery Funds	-	13,996,419	-
General Fund Appropriation	2,560,334	8,590,960	8,476,750
Lottery Funds			
Lottery Bonds	352,650	-	-
Interest Income	1,399,967	906,366	906,366
Other Funds Revenues			
Non-business Lic. and Fees	1,627,653	2,314,701	2,604,085
Park User Fees	67,730,255	64,138,912	72,019,385
Federal Revenues - Svc Contracts	192,650	-	-
Charges for Services	326,514	4,842	-
Rents and Royalties	1,392,007	-	-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Parks &amp; Recreation Dept</b>			
Other Funds Revenues			
General Fund Obligation Bonds	50,161,339	-	-
Lottery Bonds	8,907,350	10,155,705	10,128,842
Interest Income	6,846,637	1,101,267	1,101,267
Sales Income	4,248,987	3,429,747	3,429,747
Donations	1,057,444	-	-
Grants (Non-Fed)	239,003	-	-
Other Revenues	710,803	8,698,375	8,555,069
Federal Funds	8,642,075	21,868,180	28,599,686
Transfers In			
Lottery Funds	139,390,348	141,717,460	154,543,220
Other Funds	60,545,869	77,905,689	59,763,888
Transfers Out			
Lottery Funds	(451,290)	(133,704)	(160,191)
Other Funds	(19,203,970)	(36,298,355)	(19,705,206)
All Funds Available for Exp	452,518,432	460,955,719	474,289,570
All Expenditures			
General Fund	2,333,866	8,590,960	8,476,750
Lottery Funds	110,353,350	168,169,638	204,377,566
Other Funds	157,628,197	174,406,164	158,611,617
Federal Funds	8,642,075	21,868,180	28,599,686
Total Expenditures	278,957,488	373,034,942	400,065,619
Reversions	(226,468)	-	-
Ending Balance			
Lottery Funds	71,888,177	44,035,574	31,247,287

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Parks &amp; Recreation Dept</b>			
Ending Balance			
Other Funds	101,446,299	43,885,203	42,976,664
<b>Water Resources Dept</b>			
Beginning Balance			
Other Funds	26,328,380	82,433,006	195,788,659
Beginning Balance Adjustment			
Lottery Funds	-	42,215	-
Other Funds	-	15,995,448	(74,164,006)
General Fund Appropriation	72,589,805	88,114,428	88,047,620
Lottery Funds			
Interest Income	1,182,140	-	-
Other Funds Revenues			
Non-business Lic. and Fees	4,320	-	-
Power and Water Fees	11,885,964	12,327,554	13,839,301
Federal Revenues - Svc Contracts	1,107,301	825,000	825,000
Charges for Services	2,049,058	1,950,000	1,659,835
Fines and Forfeitures	13,037	-	-
Rents and Royalties	10,721	-	-
Lottery Bonds	-	65,700,425	20,191,866
Revenue Bonds	58,185,000	-	-
Interest Income	2,674,242	720,000	720,000
Sales Income	-	419	419
Other Revenues	48,691	2,060,115	849,000
Federal Funds	971,372	2,153,385	2,190,179
Transfers In			
Lottery Funds	6,691,548	14,060,623	24,352,512
Other Funds	25,118,057	4,949,114	448,281
Federal Funds	1,000	-	-

**PROGRAM AREA: NATURAL RESOURCES****Water Resources Dept**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
Transfers Out			
Other Funds	(8,354,941)	(4,258,645)	(4,597,820)
All Funds Available for Exp	200,505,695	287,073,087	270,150,846
All Expenditures			
General Fund	64,196,283	88,114,428	88,047,620
Lottery Funds	6,976,595	14,102,838	24,352,512
Other Funds	38,535,738	179,581,877	149,384,845
Federal Funds	972,372	2,153,385	2,190,179
Total Expenditures	110,680,988	283,952,528	263,975,156
Reversions	(8,393,522)	-	-
Ending Balance			
Lottery Funds	897,093	-	-
Other Funds	80,534,092	3,120,559	6,175,690
<b>Watershed Enhancement Board, Oregon</b>			
Beginning Balance			
Lottery Funds	894,634	-	-
Other Funds	887,968	-	-
Beginning Balance Adjustment			
Lottery Funds	-	13,120,325	7,471,771
Other Funds	-	14,560,719	35,381,221
General Fund Appropriation	52,526,718	40,770,232	8,967,700
Lottery Funds			
Interest Income	3,992,320	2,812,000	2,812,000
Other Funds Revenues			
Charges for Services	75,000	-	-

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Watershed Enhancement Board, Oregon</b>			
Other Funds Revenues			
Lottery Bonds	-	4,052,728	-
Interest Income	453,742	720,000	1,320,000
Donations	-	1,557,764	516,654
Grants (Non-Fed)	724,436	7,000,000	7,000,000
Other Revenues	-	1,136,129	1,136,129
Federal Funds	34,956,210	56,787,165	61,591,577
Transfers In			
Lottery Funds	281,568,142	154,366,771	160,157,839
Other Funds	15,945,774	22,001,740	886,086
Federal Funds	(10,000)	-	-
Transfers Out			
Lottery Funds	(181,019,761)	(47,345,322)	(45,021,148)
Other Funds	30,000	(3,704,516)	-
Federal Funds	(20,000)	-	-
All Funds Available for Exp	211,005,183	267,835,735	242,219,829
All Expenditures			
General Fund	29,218,032	40,770,232	8,967,700
Lottery Funds	93,945,955	116,197,727	119,966,991
Other Funds	2,262,698	45,819,445	43,533,391
Federal Funds	34,926,210	56,787,165	61,591,577
Total Expenditures	160,352,895	259,574,569	234,059,659
Reversions	(23,308,686)	-	-
Ending Balance			
Lottery Funds	11,489,380	6,756,047	5,453,471



<i><b>2021-23 Actuals</b></i>	<i><b>2023-25 Leg Approved Budget</b></i>	<i><b>2025-27 Governor's Budget</b></i>
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**PROGRAM AREA: NATURAL RESOURCES****Watershed Enhancement Board, Oregon**

Ending Balance			
Other Funds	15,854,222	1,505,119	2,706,699

**PROGRAM AREA: TRANSPORTATION****Aviation, Dept of**

Beginning Balance			
Other Funds	10,375,725	15,149,537	16,915,310

General Fund Appropriation	1,653,073	2,448,406	-
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Other Funds Revenues			
Non-business Lic. and Fees	1,161,623	1,471,660	2,180,446
Charges for Services	29,250	42,600	54,584
Rents and Royalties	654,106	761,923	736,215
Sales Income	269,864	220,846	268,238
Other Revenues	80,805	118,041	1,866,069

Federal Funds	6,474,379	20,733,526	15,552,200
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Transfers In			
Other Funds	18,402,679	18,779,921	16,720,786

Transfers Out			
Other Funds	(6,392,339)	(6,326,739)	(3,937,779)

All Funds Available for Exp	32,709,165	53,399,721	50,356,069
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All Expenditures			
General Fund	1,653,073	2,448,406	-
Other Funds	9,943,134	25,698,091	29,900,523
Federal Funds	6,474,379	20,733,526	15,552,200

Total Expenditures	18,070,586	48,880,023	45,452,723
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**PROGRAM AREA: TRANSPORTATION****Aviation, Dept of**

## Ending Balance

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Other Funds	14,638,579	4,519,698	4,903,346

**Transportation, Oregon Dept of**

## Beginning Balance

Lottery Funds	407,462	-	-
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Other Funds	650,652,101	274,276,777	494,668,975
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## Beginning Balance Adjustment

Lottery Funds	-	810,875	-
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Other Funds	(380,199)	167,852,975	68,780,558
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## General Fund Appropriation

	75,870,607	80,930,280	53,462,854
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## Lottery Funds

Interest Income	950,598	-	-
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## Other Funds Revenues

Gross Receipts Business Taxes/Fees	6,145,140	6,190,686	7,000,000
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Motor Fuels Taxes	1,334,052,861	1,368,350,366	1,368,308,490
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Weight-Mile Taxes	891,526,074	980,864,085	981,594,853
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Other Selective Taxes	119	-	-
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Other Taxes	118,975	-	-
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Business Lic and Fees	14,909,519	6,687,408	6,378,922
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Non-business Lic. and Fees	-	873,748	993,236
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Vehicle Licenses	916,713,167	953,530,830	954,529,732
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Drivers Licenses	113,053,826	127,400,421	143,778,217
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Transportation Lic and Fees	111,519,861	110,039,724	106,582,033
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Federal Revenues	1,204,532,856	2,474,987,858	1,449,851,558
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Charges for Services	69,741,926	6,215,281	8,721,845
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Admin and Service Charges	3,107,636	4,169,091	5,359,440
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Fines and Forfeitures	19,285,943	405,211	491,066
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Rents and Royalties	10,038,024	2,018,844	2,205,757
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General Fund Obligation Bonds	-	251,825,000	251,825,000
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**PROGRAM AREA: TRANSPORTATION****Transportation, Oregon Dept of****Other Funds Revenues**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
Lottery Bonds	4,605,210	45,514,349	-
Revenue Bonds	487,231,669	30,000,000	581,000,000
Private Placement / Borrowings	151,000,000	-	-
Interest Income	61,535,564	12,775,388	22,423,870
Sales Income	29,956,754	5,952,857	6,493,359
Donations	100	-	-
Loan Repayments	6,647,471	6,600,000	7,360,000
Other Revenues	27,166,083	12,275,173	1,767,133,046

Federal Funds	133,162,286	214,583,367	219,735,264
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**Transfers In**

Lottery Funds	123,907,326	134,393,875	144,630,965
Other Funds	6,633,703,796	3,945,273,621	4,851,674,176
Federal Funds	766,000	-	675,000

**Transfers Out**

Lottery Funds	(3,225,362)	-	-
Other Funds	(7,415,013,451)	(4,801,589,150)	(5,598,998,958)
Federal Funds	(7,124,077)	(2,368,579)	(675,000)

All Funds Available for Exp	5,656,565,865	6,420,840,361	7,905,984,258
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**All Expenditures**

General Fund	74,908,610	80,930,280	53,462,854
Lottery Funds	121,580,406	135,204,750	144,630,965
Other Funds	4,650,650,538	5,901,606,156	6,880,959,635
Federal Funds	126,804,209	212,214,788	219,735,264

Total Expenditures	4,973,943,763	6,329,955,974	7,298,788,718
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Reversions	(961,997)	-	-
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<i><b>2021-23 Actuals</b></i>	<i><b>2023-25 Leg Approved Budget</b></i>	<i><b>2025-27 Governor's Budget</b></i>
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**PROGRAM AREA: TRANSPORTATION**

## Transportation, Oregon Dept of

## Ending Balance

Lottery Funds

459,618

-

-

Other Funds

681,200,487

90,884,387

607,195,540

**PROGRAM AREA: CONSUMER & BUSINESS SERVICES**

## Accountancy, Board of

## Beginning Balance

Other Funds

2,835,975

1,903,493

3,435,375

## Beginning Balance Adjustment

Other Funds

-

1,323,521

-

## Other Funds Revenues

Business Lic and Fees

2,546,718

2,568,600

2,372,500

Fines and Forfeitures

110,172

230,000

172,014

Interest Income

115,672

45,000

206,120

Sales Income

627

800

17,689

Other Revenues

3,477

4,000

6,543

## All Funds Available for Exp

5,612,641

6,075,414

6,210,241

## All Expenditures

Other Funds

2,264,706

3,074,589

4,360,279

## Total Expenditures

2,264,706

3,074,589

4,360,279

## Ending Balance

Other Funds

3,347,935

3,000,825

1,849,962

**Construction Contractors Board**

## Beginning Balance

Other Funds

5,964,671

5,557,184

5,557,184

## Beginning Balance Adjustment

Other Funds

-

-

200,190

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Construction Contractors Board</b>			
Other Funds Revenues			
General Fund Revenues	978,755	916,432	920,437
Business Lic and Fees	16,763,411	16,026,520	20,046,058
Fines and Forfeitures	483,264	411,412	410,064
Interest Income	4,813	3,000	3,912
Other Revenues	379,522	131,199	481,377
Transfers Out			
Other Funds	(978,755)	(916,432)	(920,437)
All Funds Available for Exp	23,595,681	22,129,315	26,698,785
All Expenditures			
Other Funds	17,472,891	19,950,763	23,333,963
Total Expenditures	17,472,891	19,950,763	23,333,963
Ending Balance			
Other Funds	6,122,790	2,178,552	3,364,822
<b>Consumer and Business Svcs, Dept of</b>			
Beginning Balance			
Other Funds	433,133,716	381,746,979	381,746,979
Federal Funds	1,351,012	-	-
Beginning Balance Adjustment			
Other Funds	-	106,728,492	245,230,862
General Fund Appropriation	12,557,108	12,803,438	1,898,464
Other Funds Revenues			
General Fund Revenues	196,505,514	177,369,842	223,927,063
Workers Comp Insurance Taxes	186,077,926	197,195,689	173,896,295
Other Employer -Employee Taxes	139,164,512	142,132,088	130,705,172
Insurance Taxes	-	746,561,307	680,760,313
Other Selective Taxes	293,956,640	-	-

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
Consumer and Business Svcs, Dept of			
Other Funds Revenues			
Business Lic and Fees	125,374,866	125,897,734	133,838,136
Fire Marshal Fees	36,800,954	40,605,352	43,715,700
Charges for Services	1,370,890	1,875,717	1,986,814
Admin and Service Charges	4,428,890	3,435,499	3,354,391
Fines and Forfeitures	10,332,392	10,172,932	11,710,895
Interest Income	14,998,158	14,678,654	26,711,412
Loan Repayments	5,842	-	-
Other Revenues	958,536	2,130,676	1,947,494
Loan Proceeds	5,842	-	-
Federal Funds	129,097,940	139,835,688	133,992,115
Transfers In			
Other Funds	149,190,275	79,706,894	81,358,486
Federal Funds	(7,628)	-	-
Transfers Out			
Other Funds	(532,616,488)	(887,129,044)	(884,522,100)
Federal Funds	(727,768)	-	-
All Funds Available for Exp	1,201,959,129	1,295,747,937	1,392,258,491
All Expenditures			
General Fund	4,638,263	12,803,438	1,898,464
Other Funds	519,384,074	631,008,048	692,075,395
Federal Funds	126,498,930	136,584,313	133,976,959
Total Expenditures	650,521,267	780,395,799	827,950,818
Reversions	(7,918,845)	-	-
Ending Balance			
Other Funds	540,304,391	512,100,763	564,292,517

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
Consumer and Business Svcs, Dept of			
Ending Balance			
Federal Funds	3,214,626	3,251,375	15,156
Health Related Licensing Boards			
Beginning Balance			
Other Funds	3,429,190	4,472,972	4,785,684
Beginning Balance Adjustment			
Other Funds	-	95,611	-
Other Funds Revenues			
Business Lic and Fees	6,140,367	7,223,807	7,885,965
Non-business Lic. and Fees	2,473,617	2,509,795	2,779,940
Charges for Services	15	-	25
Fines and Forfeitures	584,021	182,443	280,750
Interest Income	168,215	68,024	223,421
Other Revenues	172,431	129,098	138,375
Transfers Out			
Other Funds	(100,979)	(87,750)	(109,000)
All Funds Available for Exp	12,866,877	14,594,000	15,985,160
All Expenditures			
Other Funds	8,085,421	9,825,831	10,541,626
Total Expenditures	8,085,421	9,825,831	10,541,626
Ending Balance			
Other Funds	4,781,456	4,768,169	5,443,534
Labor & Industries, Bureau of			
Beginning Balance			
Other Funds	23,778,807	15,369,205	17,321,508
Federal Funds	1,087,355	421,500	1,021,500
Beginning Balance Adjustment			
Lottery Funds	44,380	112,355	-



	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
Labor & Industries, Bureau of			
Beginning Balance Adjustment			
Other Funds	-	1,510,226	6,510,226
General Fund Appropriation	43,003,037	34,002,114	35,558,264
Other Funds Revenues			
General Fund Revenues	266,856	-	-
Business Lic and Fees	5,767,954	5,030,000	5,455,000
Charges for Services	3,615,304	1,100,000	1,050,000
Fines and Forfeitures	338,072	56,000	205,000
Interest Income	428,470	350,000	350,000
Sales Income	707,727	535,000	760,000
Other Revenues	79,915	5,655,828	3,800,000
Federal Funds	1,164,750	2,382,467	1,412,719
Transfers In			
Lottery Funds	270,809	316,222	307,006
Other Funds	13,585,517	17,785,732	39,372,821
Federal Funds	303,649	350,680	389,419
Transfers Out			
Lottery Funds	(112,355)	(112,355)	-
Other Funds	(5,736,256)	(8,028,037)	(14,533,584)
Federal Funds	(303,649)	(350,680)	(389,419)
All Funds Available for Exp	88,290,342	76,486,257	98,590,460
All Expenditures			
General Fund	37,111,513	34,002,114	35,558,264
Lottery Funds	202,834	316,222	307,006
Other Funds	13,085,041	23,066,172	45,375,883
Federal Funds	1,486,593	2,240,160	2,323,667

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Labor &amp; Industries, Bureau of</b>			
Total Expenditures	51,885,981	59,624,668	83,564,820
Reversions	(5,891,524)	-	-
Ending Balance			
Other Funds	29,747,325	16,297,782	14,915,088
Federal Funds	765,512	563,807	110,552
<b>Licensed Social Workers, Board of</b>			
Beginning Balance			
Other Funds	639,740	555,842	560,791
Beginning Balance Adjustment			
Other Funds	-	-	119,153
General Fund Appropriation	-	-	625,000
Other Funds Revenues			
Business Lic and Fees	2,291,580	2,687,016	2,949,857
Non-business Lic. and Fees	103,425	124,350	63,360
Fines and Forfeitures	-	25,000	-
Interest Income	24,020	5,000	61,232
Sales Income	9,965	2,000	10,450
Transfers Out			
Other Funds	(20,146)	(22,000)	(24,000)
All Funds Available for Exp	3,048,584	3,377,208	4,365,843
All Expenditures			
General Fund	-	-	625,000
Other Funds	2,261,952	2,819,682	3,118,162

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
Licensed Social Workers, Board of			
Total Expenditures	2,261,952	2,819,682	3,743,162
Ending Balance			
Other Funds	786,632	557,526	622,681
<b>Mental Health Regulatory Agency</b>			
Beginning Balance			
Other Funds	4,195,355	1,301,658	2,912,443
Beginning Balance Adjustment			
Other Funds	(1,910,943)	811,407	-
General Fund Appropriation	300,000	-	625,000
Other Funds Revenues			
Business Lic and Fees	4,810,204	4,330,909	5,120,353
Non-business Lic. and Fees	193,113	612,030	707,722
Charges for Services	27,365	29,571	28,097
Fines and Forfeitures	309,451	226,862	181,536
Other Revenues	65	-	-
Transfers Out			
Other Funds	(28,456)	(34,981)	(42,872)
All Funds Available for Exp	7,896,154	7,277,456	9,532,279
All Expenditures			
General Fund	210,133	-	625,000
Other Funds	4,704,788	5,998,269	7,192,917
Total Expenditures	4,914,921	5,998,269	7,817,917
Reversions	(89,867)	-	-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Mental Health Regulatory Agency</b>			
Ending Balance			
Other Funds	2,891,366	1,279,187	1,714,362
<b>Nursing, Board of</b>			
Beginning Balance			
Other Funds	9,825,734	10,518,655	11,018,655
Other Funds Revenues			
Business Lic and Fees	21,851,517	18,755,392	28,296,846
Non-business Lic. and Fees	23,477	55,000	55,000
Charges for Services	2,466,067	1,976,500	2,296,500
Fines and Forfeitures	161,290	180,000	180,000
Other Revenues	3,600	-	-
Transfers In			
Other Funds	2,793,490	3,103,015	3,134,045
Transfers Out			
Other Funds	(1,841,713)	(2,135,808)	(2,241,661)
All Funds Available for Exp	35,283,462	32,452,754	42,739,385
All Expenditures			
Other Funds	21,881,048	25,956,362	30,349,084
Total Expenditures	21,881,048	25,956,362	30,349,084
Ending Balance			
Other Funds	13,402,414	6,496,392	12,390,301
<b>Oregon Board of Chiropractic Examiners</b>			
Beginning Balance			
Other Funds	600,252	798,574	210,755
Other Funds Revenues			
Business Lic and Fees	38,178	42,532	39,464
Non-business Lic. and Fees	1,653,422	1,886,980	2,709,968
Charges for Services	1,015	1,640	1,292

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Oregon Board of Chiropractic Examiners</b>			
Other Funds Revenues			
Fines and Forfeitures	211,410	226,888	53,497
Other Revenues	10,404	-	-
Transfers Out			
Other Funds	(10,010)	(11,600)	(11,600)
All Funds Available for Exp	2,504,671	2,945,014	3,003,376
All Expenditures			
Other Funds	1,955,692	2,661,824	2,475,556
Total Expenditures	1,955,692	2,661,824	2,475,556
Ending Balance			
Other Funds	548,979	283,190	527,820
<b>Oregon Board of Dentistry</b>			
Beginning Balance			
Other Funds	1,523,460	1,100,000	988,911
Other Funds Revenues			
Business Lic and Fees	3,096,266	3,495,150	4,174,320
Non-business Lic. and Fees	22,230	14,900	14,000
Charges for Services	25,635	148,355	146,000
Fines and Forfeitures	188,289	240,000	240,000
Interest Income	49,115	60,000	60,000
Other Revenues	6,852	14,000	9,000
Transfers Out			
Other Funds	(194,105)	(267,000)	(200,000)
All Funds Available for Exp	4,717,742	4,805,405	5,432,231
All Expenditures			
Other Funds	3,620,918	4,427,096	4,559,747

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Oregon Board of Dentistry</b>			
Total Expenditures	3,620,918	4,427,096	4,559,747
Ending Balance			
Other Funds	1,096,824	378,309	872,484
<b>Oregon Medical Board</b>			
Beginning Balance			
Other Funds	9,475,870	6,606,598	5,638,154
Other Funds Revenues			
Business Lic and Fees	15,969,723	16,094,971	22,683,667
Charges for Services	80,939	83,894	80,718
Fines and Forfeitures	227,815	201,817	227,815
Sales Income	21,875	22,305	21,875
Other Revenues	46,002	33,504	-
Transfers Out			
Other Funds	(1,541,944)	(1,906,676)	(2,104,661)
All Funds Available for Exp	24,280,280	21,136,413	26,547,568
All Expenditures			
Other Funds	15,055,077	19,272,417	20,668,969
Total Expenditures	15,055,077	19,272,417	20,668,969
Ending Balance			
Other Funds	9,225,203	1,863,996	5,878,599
<b>Pharmacy, Board of</b>			
Beginning Balance			
Other Funds	4,714,144	2,848,229	2,848,229
Beginning Balance Adjustment			
Other Funds	-	831,623	976,052

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Pharmacy, Board of</b>			
Other Funds Revenues			
Business Lic and Fees	8,908,208	9,290,005	13,124,581
Non-business Lic. and Fees	293,760	306,570	330,930
Fines and Forfeitures	325,475	287,760	182,000
Interest Income	155,870	50,000	504,000
Other Revenues	64,821	63,975	63,850
Transfers Out			
Other Funds	(556,127)	(617,120)	(629,280)
All Funds Available for Exp	13,906,151	13,061,042	17,400,362
All Expenditures			
Other Funds	9,086,439	11,391,000	14,210,412
Total Expenditures	9,086,439	11,391,000	14,210,412
Ending Balance			
Other Funds	4,819,712	1,670,042	3,189,950
<b>Public Utility Commission</b>			
Beginning Balance			
Other Funds	33,577,654	29,715,047	48,523,028
Other Funds Revenues			
Other Selective Taxes	8,901,666	9,937,511	16,553,778
Business Lic and Fees	797,005	807,750	1,027,338
Public Utilities Fees	109,109,152	100,083,145	109,973,132
Charges for Services	174,529	171,346	117,863
Fines and Forfeitures	98,791	99,114	65,716
Interest Income	469,197	119,795	316,076
Other Revenues	48,504	45,802	-
Federal Funds	1,330,776	1,594,957	1,888,121



	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Public Utility Commission</b>			
Transfers In			
Other Funds	9,221,923	10,594,783	12,507,643
Federal Funds	6,833	-	-
Transfers Out			
Other Funds	(15,355,780)	(11,692,250)	(12,130,019)
Federal Funds	(372,975)	(302,533)	(377,624)
All Funds Available for Exp	148,007,275	141,174,467	178,465,052
All Expenditures			
Other Funds	104,549,491	120,335,646	128,428,670
Federal Funds	964,634	1,292,424	1,510,497
Total Expenditures	105,514,125	121,628,070	129,939,167
Ending Balance			
Other Funds	42,493,150	19,546,397	48,525,885
<b>Real Estate Agency</b>			
Beginning Balance			
Other Funds	5,511,735	6,796,808	6,796,808
Other Funds Revenues			
General Fund Revenues	68,927	64,500	68,938
Business Lic and Fees	10,946,626	11,187,889	10,542,900
Charges for Services	1,235	18,938	2,115
Fines and Forfeitures	291,388	426,324	434,923
Other Revenues	3,215	5,300	3,591
Transfers Out			
Other Funds	(68,927)	(64,500)	(68,938)
All Funds Available for Exp	16,754,199	18,435,259	17,780,337
All Expenditures			
Other Funds	9,914,221	14,691,991	15,739,193

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: CONSUMER &amp; BUSINESS SERVICES</b>			
<b>Real Estate Agency</b>			
Total Expenditures	9,914,221	14,691,991	15,739,193
Ending Balance			
Other Funds	6,839,978	3,743,268	2,041,144
<b>Tax Practitioners, State Board of</b>			
Beginning Balance			
Other Funds	378,579	185,754	1,244,867
Beginning Balance Adjustment			
Other Funds	-	-	(319,282)
Other Funds Revenues			
Business Lic and Fees	1,151,325	1,012,668	1,282,932
Fines and Forfeitures	157,823	60,000	60,000
Interest Income	-	3,000	-
Other Revenues	910	-	-
All Funds Available for Exp	1,688,637	1,261,422	2,268,517
All Expenditures			
Other Funds	1,194,525	1,162,920	1,346,988
Total Expenditures	1,194,525	1,162,920	1,346,988
Ending Balance			
Other Funds	494,112	98,502	921,529
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Administrative Svcs, Dept of</b>			
Beginning Balance			
Lottery Funds	607,603,793	770,185,003	1,051,346,669
Other Funds	228,584,486	173,943,379	(22,898,382)

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Administrative Svcs, Dept of</b>			
Beginning Balance			
Federal Funds	65,476,928	-	-
Beginning Balance Adjustment			
Lottery Funds	-	28,299,359	2,172,577
Other Funds	62,613,293	(10,480,364)	50,330,353
Federal Funds	69,016,439	-	-
General Fund Appropriation	670,472,681	302,008,992	62,855,810
Lottery Funds			
Interest Income	49,399,786	95,069,249	93,969,340
Other Revenues	(2,972)	-	-
Other Funds Revenues			
General Fund Revenues	12,745,726	16,153,146	21,239,843
Non-business Lic. and Fees	4,007,115	4,077,063	3,050,340
Central Service Charges	4,500,001	4,500,000	4,500,000
Charges for Services	291,930,006	233,735,823	262,707,414
Admin and Service Charges	432,224,875	578,543,782	808,215,477
Fines and Forfeitures	18,585	-	-
Rents and Royalties	101,153,820	126,501,970	138,896,784
General Fund Obligation Bonds	64,250,000	-	4,935,000
Dedicated Fund Oblig Bonds	158,845,000	-	151,080,000
Lottery Bonds	-	116,591,012	-
Revenue Bonds	170,860,000	-	-
Interest Income	22,236,983	4,400,000	4,400,000
Sales Income	3,874,372	12,201,594	6,771,068
Loan Repayments	51,881	-	-
Other Revenues	658,914,883	1,201,059,527	674,331,230
Federal Funds	2,896,535,568	290,720,620	274,078,513
Transfers In			
Lottery Funds	2,474,709,466	2,531,143,107	2,644,520,606

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Administrative Svcs, Dept of</b>			
Transfers In			
Other Funds	665,075,478	442,163,650	345,347,466
Federal Funds	75,917,260	-	-
Transfers Out			
Lottery Funds	(2,084,131,782)	(2,313,931,570)	(2,393,116,815)
Other Funds	(407,171,100)	(568,065,158)	(498,131,230)
Federal Funds	-	(109,294,185)	(108,794,185)
All Funds Available for Exp	7,330,194,866	3,929,525,999	3,581,807,878
All Expenditures			
General Fund	662,644,061	302,008,992	62,855,810
Lottery Funds	26,603,095	51,554,972	59,656,865
Other Funds	1,545,718,664	1,769,131,815	1,730,242,716
Federal Funds	3,016,134,503	181,426,435	165,284,328
Total Expenditures	5,251,100,323	2,304,122,214	2,018,039,719
Reversions	(7,828,620)	-	-
Ending Balance			
Lottery Funds	1,020,975,196	1,059,210,176	1,339,235,512
Other Funds	928,996,740	566,193,609	224,532,647
Federal Funds	121,293,987	-	-
<b>Employment Relations Board</b>			
Beginning Balance			
Other Funds	826,966	528,544	668,625
Beginning Balance Adjustment			
Other Funds	-	478,507	-
General Fund Appropriation	3,350,085	3,548,203	4,127,103

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Employment Relations Board</b>			
Other Funds Revenues			
Business Lic and Fees	65,813	95,974	90,838
Charges for Services	229,420	230,108	281,226
Admin and Service Charges	2,401,829	2,102,400	2,880,000
Fines and Forfeitures	109	-	-
Sales Income	-	1,973	-
All Funds Available for Exp	6,874,222	6,985,709	8,047,792
All Expenditures			
General Fund	3,254,151	3,548,203	4,127,103
Other Funds	2,562,238	2,816,298	3,259,034
Total Expenditures	5,816,389	6,364,501	7,386,137
Reversions	(95,934)	-	-
Ending Balance			
Other Funds	961,899	621,208	661,655
<b>Governor, Office of the</b>			
Beginning Balance			
Other Funds	1,145,950	1,679,433	1,863,992
Beginning Balance Adjustment			
Other Funds	-	(270,000)	-
General Fund Appropriation	19,921,917	23,569,345	32,453,079
Other Funds Revenues			
Non-business Lic. and Fees	66,040	75,000	75,000
Interest Income	6	-	-
Donations	188	180,001	180,001
Other Revenues	248,809	75,000	475,000

**PROGRAM AREA: ADMINISTRATION**

## Governor, Office of the

## Transfers In

Lottery Funds	4,661,117	4,923,010	5,137,817
Other Funds	3,395,541	3,670,159	3,968,220

## Transfers Out

Lottery Funds	(1,294,853)	-	-
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## All Funds Available for Exp

28,144,715	33,901,948	44,153,109
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## All Expenditures

General Fund	18,797,215	23,569,345	32,453,079
Lottery Funds	3,366,264	4,923,010	5,137,817
Other Funds	3,019,693	4,408,651	5,271,167

## Total Expenditures

25,183,172	32,901,006	42,862,063
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## Reversions

(1,124,702)	-	-
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## Ending Balance

Other Funds	1,836,841	1,000,942	1,291,046
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## Office of the Public Records Advocate

## Beginning Balance

Other Funds	-	-	153,463
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## Other Funds Revenues

Interest Income	-	-	15,000
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## Transfers In

Other Funds	-	1,012,614	1,235,911
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## All Funds Available for Exp

-	1,012,614	1,404,374
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## All Expenditures

Other Funds	-	1,000,967	1,174,012
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	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Office of the Public Records Advocate</b>			
Total Expenditures	-	1,000,967	1,174,012
Ending Balance			
Other Funds	-	11,647	230,362
<b>Oregon Advocacy Commissions Office</b>			
Beginning Balance			
Other Funds	13,641	11,620	8,072
General Fund Appropriation	1,692,600	2,238,291	2,101,205
Other Funds Revenues			
Donations	4,335	20,000	20,000
Other Revenues	100	-	-
All Funds Available for Exp	1,710,676	2,269,911	2,129,277
All Expenditures			
General Fund	1,692,591	2,238,291	2,101,205
Other Funds	9,841	10,253	25,432
Total Expenditures	1,702,432	2,248,544	2,126,637
Reversions	(9)	-	-
Ending Balance			
Other Funds	8,235	21,367	2,640
<b>Oregon Government Ethics Commission</b>			
Beginning Balance			
Other Funds	863,168	715,787	715,787



**PROGRAM AREA: ADMINISTRATION****Oregon Government Ethics Commission**

## Beginning Balance Adjustment

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
Other Funds	-	(114,766)	18,521

## Other Funds Revenues

General Fund Revenues	54,974	50,000	50,000
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Admin and Service Charges	3,038,818	5,352,395	7,005,742
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Other Revenues	387	-	-
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## Transfers Out

Other Funds	(54,974)	(50,000)	(50,000)
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## All Funds Available for Exp

	3,902,373	5,953,416	7,740,050
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## All Expenditures

Other Funds	3,023,863	5,698,983	6,816,378
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## Total Expenditures

	3,023,863	5,698,983	6,816,378
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## Ending Balance

Other Funds	878,510	254,433	923,672
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**Oregon Liquor & Cannabis Comm**

## Beginning Balance

Other Funds	19,632,786	7,916,689	10,229,068
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Federal Funds	1,181,080	-	-
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## Beginning Balance Adjustment

Other Funds	-	5,908,632	10,097,948
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## Other Funds Revenues

General Fund Revenues	362,803,505	399,199,794	282,169,409
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Privilege Taxes	28,176,022	30,585,160	27,510,772
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Business Lic and Fees	40,146,605	40,265,229	50,603,691
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Fines and Forfeitures	588,397	-	-
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Dedicated Fund Oblig Bonds	145,455,048	16,500,000	8,090,000
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Interest Income	1,552,138	-	-
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Sales Income	-	440,000	440,000
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**PROGRAM AREA: ADMINISTRATION****Oregon Liquor & Cannabis Comm**

## Other Funds Revenues

Liquor Sales	1,348,231,478	1,565,174,811	974,849,449
Liquor Cost of Goods Sold	(828,567,381)	(950,714,284)	(406,524,869)
Cost of Goods Sold	(17,508,211)	(19,643,746)	(17,720,352)
Other Revenues	5,753,615	-	-

## Transfers In

Other Funds	281,187,885	347,386,842	361,793,800
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## Transfers Out

Other Funds	(911,295,783)	(1,043,502,008)	(879,962,274)
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## All Funds Available for Exp

477,337,184	399,517,119	421,576,642
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## All Expenditures

Other Funds	450,504,425	391,997,885	410,945,173
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## Total Expenditures

450,504,425	391,997,885	410,945,173
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## Ending Balance

Other Funds	25,651,679	7,519,234	10,631,469
Federal Funds	1,181,080	-	-

**Public Employees Retirement System, Oregon**

## Beginning Balance

Lottery Funds	4,147,195	-	-
Other Funds	98,349,093,039	98,328,554,655	98,328,554,655

## Beginning Balance Adjustment

Lottery Funds	-	341,000	38,711,479
Other Funds	(7,340,290,183)	(737,003,130)	2,291,259,589

## General Fund Appropriation

17,250,000	-	-
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## Lottery Funds

Interest Income	-	-	2,302,052
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**PROGRAM AREA: ADMINISTRATION****Public Employees Retirement System, Oregon**

## Other Funds Revenues

Charges for Services	6,240,562	6,350,449	6,312,658
Interest Income	10,997,195,629	15,044,302,630	10,390,596,114
Retirement System Contribution	8,173,199,675	9,244,070,430	7,983,875,762
Insurance Premiums	54,614,475	65,147,533	56,702,974
Other Revenues	327,094,093	72,601	329,368

## Transfers In

Lottery Funds	15,335,236	28,186,388	3,897,948
Other Funds	202,280,401	175,221,890	190,963,395

## Transfers Out

Other Funds	(139,538,254)	(175,221,888)	(190,963,393)
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## All Funds Available for Exp

110,666,621,868	121,980,022,558	119,102,542,601
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## All Expenditures

General Fund	17,250,000	-	-
Lottery Funds	15,091,192	28,527,388	44,911,479
Other Funds	12,943,284,675	13,700,583,113	15,438,743,125

## Total Expenditures

12,975,625,867	13,729,110,501	15,483,654,604
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## Ending Balance

Lottery Funds	4,391,239	-	-
Other Funds	97,686,604,762	108,250,912,057	103,618,887,997

**Racing Commission, Oregon**

## Beginning Balance

Other Funds	1,263,432	1,163,683	1,163,683
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## Beginning Balance Adjustment

Other Funds	-	596,324	203,259
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## Other Funds Revenues

General Fund Revenues	1,616,773	1,570,927	-
Business Lic and Fees	1,779,645	1,851,315	1,399,150

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: ADMINISTRATION</b>			
Racing Commission, Oregon			
Other Funds Revenues			
Charges for Services	238,837	260,000	160,000
Fines and Forfeitures	8,450	10,000	65,000
Sales Income	-	-	227,808
Pari-Mutuel Receipts	5,191,923	4,712,778	7,071,019
Other Revenues	41,105	10,000	30,000
Transfers In			
Other Funds	643,518	-	-
Transfers Out			
Other Funds	(2,260,291)	(1,570,927)	-
All Funds Available for Exp	8,523,392	8,604,100	10,319,919
All Expenditures			
Other Funds	7,169,552	7,482,263	7,889,653
Total Expenditures	7,169,552	7,482,263	7,889,653
Ending Balance			
Other Funds	1,353,840	1,121,837	2,430,266
Revenue, Dept of			
Beginning Balance			
Other Funds	240,603,330	(19,548,214)	(19,548,214)
Beginning Balance Adjustment			
Other Funds	(151,744,264)	433,742,917	272,669,760
General Fund Appropriation	250,756,693	248,901,204	267,297,265
Other Funds Revenues			
General Fund Revenues	29,570,844,147	23,806,925,945	34,309,738,440
Corporate Activity Tax	2,567,907,517	2,779,098,000	3,101,910,000
Other Employer -Employee Taxes	249,084,385	1,427,931,328	4,279,125,222
Cigarette Taxes	644,597,043	609,800,000	472,462,924

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
Revenue, Dept of			
Other Funds Revenues			
Other Tobacco Products Taxes	120,184,017	112,700,000	104,958,010
Marijuana Taxes	367,921,718	316,860,000	327,949,000
Amusement Taxes	5,139,546	4,052,345	3,849,030
Eastern Oregon Severance Taxes	4,256	31,914	10,344
Western Oregon Severance Taxes	703,828	1,135,910	1,353,291
Other Severance Taxes	2,540	33,478	4,539
Privilege Taxes	85,496,674	109,370,046	107,980,000
Other Taxes	232,496,830	355,998,970	663,333,866
Business Lic and Fees	6,263,086	12,443,302	18,503,363
Charges for Services	-	22,000,000	15,191,853
Fines and Forfeitures	28,874,959	29,652,289	29,727,957
General Fund Obligation Bonds	1,840,000	14,265,000	-
Interest Income	64,387	-	-
Donations	52,068	2,426,683	5,620,139
Sr Citizen Prop Tax Repayments	36,463,688	36,989,678	33,782,000
Other Revenues	74,685,560	198,006,916	69,087,882
Transfers In			
Other Funds	296,701,001	191,045,396	205,930,044
Transfers Out			
Other Funds	(34,010,528,708)	(29,840,993,920)	(43,601,354,122)
All Funds Available for Exp	618,414,301	852,869,187	669,582,593
All Expenditures			
General Fund	238,599,023	248,901,204	267,297,265
Other Funds	270,179,837	187,084,346	166,715,178
Total Expenditures	508,778,860	435,985,550	434,012,443
Reversions			
	(12,157,670)	-	-

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
Revenue, Dept of			
Ending Balance			
Other Funds	97,477,771	416,883,637	235,570,150
<b>Secretary of State</b>			
Beginning Balance			
Other Funds	18,059,970	9,477,290	6,136,196
Federal Funds	10,808,127	5,002,647	4,583,973
Beginning Balance Adjustment			
Other Funds	-	(1,745,736)	-
Federal Funds	-	2,481,236	-
General Fund Appropriation	18,915,145	19,486,697	26,753,001
Other Funds Revenues			
General Fund Revenues	90,620,798	88,569,040	86,397,883
Business Lic and Fees	20,077,601	26,588,464	30,708,621
Non-business Lic. and Fees	3,035,774	2,667,190	2,667,190
Charges for Services	52,171,986	59,446,106	68,628,587
Interest Income	68,929	-	-
Sales Income	55,566	39,000	39,000
Grants (Non-Fed)	7,000	-	-
Other Revenues	1,013,990	3,481,457	1,013,990
Federal Funds	2,092,804	20,000	12,181
Transfers In			
Other Funds	28,335,781	32,330,485	37,331,620
Transfers Out			
Other Funds	(118,956,579)	(120,899,525)	(123,729,503)
All Funds Available for Exp	126,592,626	126,944,351	140,542,739
All Expenditures			
General Fund	19,720,149	19,486,697	26,753,001

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Secretary of State</b>			
All Expenditures			
Other Funds	77,315,042	97,793,249	101,764,575
Federal Funds	4,877,510	5,050,327	4,596,154
Total Expenditures	<u>101,912,701</u>	<u>122,330,273</u>	<u>133,113,730</u>
Reversions	805,004	-	-
Ending Balance			
Other Funds	17,175,774	2,160,522	7,429,009
Federal Funds	8,309,155	2,453,556	-
<b>State Library of Oregon</b>			
Beginning Balance			
Other Funds	3,537,909	2,832,631	2,730,730
Beginning Balance Adjustment			
Other Funds	(330,943)	-	-
General Fund Appropriation	4,538,886	5,095,768	5,692,166
Other Funds Revenues			
Rents and Royalties	6,083	20,000	15,000
Interest Income	19,453	5,750	60,750
Sales Income	324	-	-
Donations	252,467	300,000	330,000
Other Revenues	2,500	-	-
Federal Funds	7,778,650	5,401,406	5,738,385
Transfers In			
Other Funds	7,109,410	7,634,890	10,378,818



	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>State Library of Oregon</b>			
All Funds Available for Exp	22,914,739	21,290,445	24,945,849
All Expenditures			
General Fund	4,533,021	5,095,768	5,692,166
Other Funds	7,137,546	9,083,535	10,358,600
Federal Funds	7,778,650	5,401,406	5,738,385
Total Expenditures	19,449,217	19,580,709	21,789,151
Reversions	(5,865)	-	-
Ending Balance			
Other Funds	3,459,657	1,709,736	3,156,698
<b>Treasury, Oregon State</b>			
Beginning Balance			
Other Funds	31,116,446	12,608,603	64,875,531
Beginning Balance Adjustment			
Other Funds	10,468,065	17,224,894	-
Other Funds Revenues			
Charges for Services	119,491,193	141,804,109	156,631,567
Admin and Service Charges	401,593	-	-
Interest Income	5,905,570	-	-
Sales Income	8,700	-	-
Other Revenues	5,011,344	-	-
Transfers In			
Other Funds	22,108,917	24,649,254	30,153,633
Transfers Out			
Other Funds	(22,387,719)	(24,474,033)	(30,153,633)
All Funds Available for Exp	172,124,109	171,812,827	221,507,098

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: ADMINISTRATION</b>			
Treasury, Oregon State			
All Expenditures			
Other Funds	101,459,826	138,464,052	150,179,765
Total Expenditures	101,459,826	138,464,052	150,179,765
Ending Balance			
Other Funds	70,664,283	33,348,775	71,327,333
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>			
Indian Svcs, Comm on			
Beginning Balance			
Other Funds	199	-	-
General Fund Appropriation	914,197	1,361,741	1,416,858
Other Funds Revenues			
Donations	450	-	-
Other Revenues	-	7,604	7,604
All Funds Available for Exp	914,846	1,369,345	1,424,462
All Expenditures			
General Fund	906,198	1,361,741	1,416,858
Other Funds	372	7,604	7,604
Total Expenditures	906,570	1,369,345	1,424,462
Reversions	(7,999)	-	-
Ending Balance			
Other Funds	277	-	-

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>			
<b>Legislative Administration Committee</b>			
Beginning Balance			
Other Funds	3,826,627	130,000	412,000
Beginning Balance Adjustment			
Other Funds	254	4,928,844	1,100,000
General Fund Appropriation	299,311,117	101,125,099	119,119,901
Other Funds Revenues			
Charges for Services	102,618	39,359	29,659
Fines and Forfeitures	2,800	-	-
Rents and Royalties	353,781	540,272	540,272
General Fund Obligation Bonds	23,280,374	216,920,000	-
Interest Income	325,362	-	-
Sales Income	227,785	751,368	841,368
Donations	850	5,000	15,542
Other Revenues	13,031	5,486,701	403,701
Transfers In			
Other Funds	625,272	245,077	259,999
Transfers Out			
Other Funds	-	(245,077)	(259,999)
All Funds Available for Exp	328,069,871	329,926,643	122,462,443
All Expenditures			
General Fund	284,501,154	101,125,099	119,119,901
Other Funds	26,226,792	228,386,277	2,688,547
Total Expenditures	310,727,946	329,511,376	121,808,448
Reversions	(14,809,963)	-	-
Ending Balance			
Other Funds	2,531,962	415,267	653,995

**PROGRAM AREA: LEGISLATIVE BRANCH****Legislative Assembly**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
Beginning Balance			
Other Funds	345,771	187,727	189,021
Beginning Balance Adjustment			
Other Funds	-	(8,000)	(8,000)
General Fund Appropriation	69,822,772	76,462,887	82,225,208
Other Funds Revenues			
Sales Income	18,948	165,000	165,000
Other Revenues	(61)	-	-
All Funds Available for Exp	70,187,430	76,807,614	82,571,229
All Expenditures			
General Fund	61,263,416	76,462,887	82,225,208
Other Funds	18,939	323,805	307,741
Total Expenditures	61,282,355	76,786,692	82,532,949
Reversions	(8,559,356)	-	-
Ending Balance			
Other Funds	345,719	20,922	38,280
<b>Legislative Counsel Committee</b>			
Beginning Balance			
Other Funds	1,976,270	1,906,851	1,779,332
Beginning Balance Adjustment			
Other Funds	(69,419)	-	-
General Fund Appropriation	19,023,789	21,695,313	22,433,726
Other Funds Revenues			
Charges for Services	362,706	458,879	546,000

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>			
<b>Legislative Counsel Committee</b>			
Other Funds Revenues			
Sales Income	1,528,595	1,922,525	2,130,930
Transfers In			
Other Funds	1,511,790	2,443,161	2,781,582
Transfers Out			
Other Funds	(1,511,790)	(2,443,161)	(2,781,582)
All Funds Available for Exp	22,821,941	25,983,568	26,889,988
All Expenditures			
General Fund	17,015,693	21,695,313	22,433,726
Other Funds	1,884,981	3,128,390	3,378,025
Total Expenditures	18,900,674	24,823,703	25,811,751
Reversions	(2,008,096)	-	-
Ending Balance			
Other Funds	1,913,171	1,159,865	1,078,237
<b>Legislative Fiscal Office</b>			
Beginning Balance			
Other Funds	1,347,537	612,241	612,241
Beginning Balance Adjustment			
Other Funds	-	605,164	2,439,550
General Fund Appropriation	8,629,206	9,602,798	10,411,498
Transfers In			
Other Funds	4,500,001	4,500,000	4,500,000
All Funds Available for Exp	14,476,744	15,320,203	17,963,289

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>			
<b>Legislative Fiscal Office</b>			
All Expenditures			
General Fund	7,059,391	9,602,798	10,411,498
Other Funds	3,711,670	5,338,078	5,783,501
Total Expenditures	<u>10,771,061</u>	<u>14,940,876</u>	<u>16,194,999</u>
Reversions	(1,569,815)	-	-
Ending Balance			
Other Funds	2,135,868	379,327	1,768,290
<b>Legislative Policy and Research Committee</b>			
General Fund Appropriation	16,233,691	22,519,811	22,927,110
All Funds Available for Exp	<u>16,233,691</u>	<u>22,519,811</u>	<u>22,927,110</u>
All Expenditures			
General Fund	15,870,697	22,519,811	22,927,110
Total Expenditures	<u>15,870,697</u>	<u>22,519,811</u>	<u>22,927,110</u>
Reversions	(362,994)	-	-
<b>Legislative Revenue Office</b>			
General Fund Appropriation	3,534,962	4,462,474	4,737,995
All Funds Available for Exp	<u>3,534,962</u>	<u>4,462,474</u>	<u>4,737,995</u>

**PROGRAM AREA: LEGISLATIVE BRANCH****Legislative Revenue Office****All Expenditures**

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
General Fund	3,389,050	4,462,474	4,737,995
<b>Total Expenditures</b>	<b>3,389,050</b>	<b>4,462,474</b>	<b>4,737,995</b>

Reversions	(145,912)	-	-
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**PROGRAM AREA: JUDICIAL BRANCH****Judicial Dept****Beginning Balance**

Other Funds	13,320,568	5,000,000	6,050,000
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**Beginning Balance Adjustment**

Other Funds	-	3,442,549	-
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General Fund Appropriation	625,774,030	791,984,702	843,843,470
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**Other Funds Revenues**

General Fund Revenues	104,910,197	139,598,353	122,799,795
Business Lic and Fees	78,725	96,000	105,000
State Court Fees	11,321,213	11,881,668	3,497,594
Federal Revenues	328,414	-	-
Charges for Services	6,895,461	7,278,289	-
Fines and Forfeitures	90,009,027	122,119,332	110,543,390
General Fund Obligation Bonds	129,488,327	217,424,999	108,691,000
Interest Income	1,567,823	260,000	-
Sales Income	172,922	370,000	200,000
Donations	729,629	509,294	500,000
Grants (Non-Fed)	1,527,751	17,719,711	6,740,123
Other Revenues	1,649,869	123,589,965	108,575,000



	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: JUDICIAL BRANCH</b>			
Judicial Dept			
Federal Funds	2,608,058	4,930,789	5,408,623
Transfers In			
Other Funds	55,097,322	30,964,273	20,822,871
Transfers Out			
Other Funds	(212,388,657)	(278,075,601)	(236,840,777)
All Funds Available for Exp	833,090,679	1,199,094,323	1,100,936,089
All Expenditures			
General Fund	622,417,382	791,984,702	843,843,470
Other Funds	69,842,961	397,083,341	243,877,455
Federal Funds	2,531,337	4,737,986	5,408,623
Total Expenditures	694,791,680	1,193,806,029	1,093,129,548
Reversions	(3,356,648)	-	-
Ending Balance			
Other Funds	134,865,630	5,095,491	7,806,541
Federal Funds	76,721	192,803	-
<b>Judicial Fitness and Disability, Comm on</b>			
General Fund Appropriation	330,499	386,660	392,378
All Funds Available for Exp	330,499	386,660	392,378
All Expenditures			
General Fund	299,098	386,660	392,378

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: JUDICIAL BRANCH</b>			
Judicial Fitness and Disability, Comm on			
Total Expenditures	299,098	386,660	392,378
Reversions	(31,401)	-	-
<b>PROGRAM AREA: MISCELLANEOUS PROGRAMS</b>			
Emergency Board			
General Fund Appropriation	77,137,124	284,681,502	455,000,000
All Funds Available for Exp	77,137,124	284,681,502	455,000,000
All Expenditures			
General Fund	-	284,681,502	455,000,000
Total Expenditures	-	284,681,502	455,000,000
Reversions	(77,137,124)	-	-

# EXPENDITURES

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## EXPENDITURES

### Statewide Biennial Budget Summary

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>
2023-25 Leg Adopted Budget	49,231	47,225.89	121,250,176,946	31,865,959,473
2023-25 Emergency Boards	868	562.19	3,459,059,287	1,027,621,863
<b>2023-25 Leg Approved Budget</b>	<b>50,099</b>	<b>47,788.08</b>	<b>124,709,236,233</b>	<b>32,893,581,336</b>
<b>2025-27 Base Budget Adjustments</b>				
Net Cost of Position Actions				
Administrative Biennialized E-Board, Phase-Out	(854)	66.60	1,115,619,030	471,991,381
Estimated Cost of Merit Increase				
Base Debt Service Adjustment			66,899,953	258,777,329
Base Nonlimited Adjustment			2,709,717,506	-
Capital Construction			(1,474,863,551)	-
<b>Subtotal 2025-27 Base Budget</b>	<b>49,245</b>	<b>47,854.68</b>	<b>127,126,609,171</b>	<b>33,624,350,046</b>
<b>Essential Packages</b>				
010 - Non-PICS Pers Svc/Vacancy Factor				
Vacancy Factor (Increase)/Decrease	-	-	(210,747,060)	(56,224,182)
Non-PICS Personal Service (Increase)/Decrease	-	-	146,364,706	121,383,514
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>(64,382,354)</b>	<b>65,159,332</b>
020 - Phase In / Out Pgm & One-time Cost				
021 - Phase-in	34	24.92	2,886,851,978	560,227,030
022 - Phase-out Pgm & One-time Costs	(60)	(61.00)	(10,950,008,330)	(2,424,898,014)
<b>Subtotal</b>	<b>(26)</b>	<b>(36.08)</b>	<b>(8,063,156,352)</b>	<b>(1,864,670,984)</b>
030 - Inflation & Price List Adjustments				
Cost of Goods & Services Increase/(Decrease)	-	-	5,330,548,450	2,341,295,744
State Gov't & Services Charges Increase/(Decrease)			260,575,830	179,197,377
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>5,591,124,280</b>	<b>2,520,493,121</b>
040 - Mandated Caseload				
040 - Mandated Caseload	133	48.03	1,957,317,187	765,315,760

<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>
1,617,149,728	31,063,750,243	33,278,127,700	18,802,409,704	4,622,780,098
42,585,757	1,633,415,757	669,606,959	85,828,951	-
<b>1,659,735,485</b>	<b>32,697,166,000</b>	<b>33,947,734,659</b>	<b>18,888,238,655</b>	<b>4,622,780,098</b>
13,466,086	425,356,182	204,805,381	-	-
74,222,482	(7,606,042)	-	(257,553,530)	(940,286)
-	-	-	3,020,172,148	(310,454,642)
-	(1,439,673,532)	(35,190,019)	-	-
<b>1,747,424,053</b>	<b>31,675,242,608</b>	<b>34,117,350,021</b>	<b>21,650,857,273</b>	<b>4,311,385,170</b>
(3,721,328)	(110,031,055)	(40,770,495)	-	-
123,033	17,885,884	6,972,275	-	-
<b>(3,598,295)</b>	<b>(92,145,171)</b>	<b>(33,798,220)</b>	-	-
109,363,381	782,435,103	1,434,826,464	-	-
(157,413,504)	(4,659,130,656)	(3,704,371,854)	(4,194,302)	-
<b>(48,050,123)</b>	<b>(3,876,695,553)</b>	<b>(2,269,545,390)</b>	<b>(4,194,302)</b>	-
39,430,216	1,139,467,842	1,810,354,648	-	-
2,187,029	73,546,951	5,644,473	-	-
<b>41,617,245</b>	<b>1,213,014,793</b>	<b>1,815,999,121</b>	-	-
-	(25,122,977)	1,217,124,404	-	-

## Statewide Biennial Budget Summary (continued)

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>
045 - Statutorily Eligible Caseloads	22	22.00	529,652,027	495,344,809
<b>Subtotal</b>	<b>155</b>	<b>70.03</b>	<b>2,486,969,214</b>	<b>1,260,660,569</b>
050 - Fundshifts and Revenue Reductions				
050 - Fundshifts	-	-	(453,109,268)	1,660,460,135
060 - Technical Adjustments				
060 - Technical Adjustments	(2)	(0.12)	9,361,222	(128,586)
<b>Subtotal: 2025-27 Current Service Level</b>	<b>49,372</b>	<b>47,888.51</b>	<b>126,633,415,913</b>	<b>37,266,323,633</b>

<i><b>Lottery Funds</b></i>	<i><b>Other Funds</b></i>	<i><b>Federal Funds</b></i>	<i><b>Nonlimited Other Funds</b></i>	<i><b>Nonlimited Federal Funds</b></i>
-	-	34,307,218	-	-
-	(25,122,977)	1,251,431,622	-	-
(44,226,605)	(1,518,745,103)	(550,597,695)	-	-
102,129	9,649,420	(261,741)	-	-
1,693,268,404	27,385,198,017	34,330,577,718	21,646,662,971	4,311,385,170



## Statewide Biennial Budget Summary (continued)

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>
<b>Subtotal: 2025-27 Current Service Level</b>	<b>49,372</b>	<b>47,888.51</b>	<b>126,633,415,913</b>	<b>37,266,323,633</b>
070 - Revenue Reductions/Shortfall				
070 - Revenue Shortfalls	(1,108)	(1,079.92)	(564,454,607)	-
<b>Modified 2025-27 Current Service Level</b>	<b>48,264</b>	<b>46,808.59</b>	<b>126,068,961,306</b>	<b>37,266,323,633</b>
080 - E-Boards				
081 - May 2024 Emergency Board	28	28.00	9,626,060	7,274,244
082 - September 2024 Emergency Board	3	0.99	1,050,000	1,050,000
<b>Subtotal Emergency Board Packages</b>	<b>31</b>	<b>28.99</b>	<b>10,676,060</b>	<b>8,324,244</b>
<b>Subtotal Policy Packages</b>	<b>2,780</b>	<b>2,159.58</b>	<b>11,665,857,490</b>	<b>154,246,812</b>
<b>Total 2025-27 Governor's Budget</b>	<b>51,075</b>	<b>48,997.16</b>	<b>137,745,494,856</b>	<b>37,428,894,689</b>
Percentage Change From 2023-25 Leg Approved Budget	1.95%	2.53%	10.45%	13.79%
Percentage Change From 2025-27 Current Service Level	3.45%	2.32%	8.77%	0.44%

<i><b>Lottery Funds</b></i>	<i><b>Other Funds</b></i>	<i><b>Federal Funds</b></i>	<i><b>Nonlimited Other Funds</b></i>	<i><b>Nonlimited Federal Funds</b></i>
1,693,268,404	27,385,198,017	34,330,577,718	21,646,662,971	4,311,385,170
-	(543,269,772)	(21,184,835)	-	-
1,693,268,404	26,841,928,245	34,309,392,883	21,646,662,971	4,311,385,170
-	555,234	1,796,582	-	-
-	-	-	-	-
-	555,234	1,796,582	-	-
168,734,307	8,562,473,943	2,510,124,615	270,277,813	-
1,862,002,711	35,404,957,422	36,821,314,080	21,916,940,784	4,311,385,170
12.19%	8.28%	8.46%	16.03%	-6.74%
9.97%	29.29%	7.26%	1.25%	-

## Schedule V – Summary of Total Expenditures

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: EDUCATION</b>			
<b>Department of Early Learning and Care</b>			
General Fund	-	593,748,845	754,212,155
Other Funds	-	472,868,598	496,517,817
Federal Funds	-	390,133,739	272,460,926
<b>All Funds</b>	<b>-</b>	<b>1,456,751,182</b>	<b>1,523,190,898</b>
<b>Education, Dept of</b>			
General Fund	9,020,019,011	9,468,620,597	10,836,616,647
Lottery Funds	650,508,965	641,965,253	711,442,502
Other Funds	2,956,940,509	4,027,315,742	4,264,918,363
Federal Funds	2,850,616,383	2,082,988,432	1,581,543,268
<b>All Funds</b>	<b>15,478,084,868</b>	<b>16,220,890,024</b>	<b>17,394,520,780</b>
<b>Higher Education Coordinating Commission</b>			
General Fund	2,649,624,557	2,903,087,386	3,222,974,858
Lottery Funds	137,731,002	201,017,893	190,162,589
Other Funds	801,492,162	859,468,614	807,022,301
Federal Funds	101,649,305	160,992,814	170,106,858
<b>All Funds</b>	<b>3,690,497,026</b>	<b>4,124,566,707</b>	<b>4,390,266,606</b>
<b>Teacher Standards &amp; Practices Comm</b>			
General Fund	1,127,899	2,005,295	1,287,198
Other Funds	13,641,555	16,273,044	15,980,676
<b>All Funds</b>	<b>14,769,454</b>	<b>18,278,339</b>	<b>17,267,874</b>
<b>Education Total</b>			
General Fund	11,670,771,467	12,967,462,123	14,815,090,858
Lottery Funds	788,239,967	842,983,146	901,605,091
Other Funds	3,772,074,226	5,375,925,998	5,584,439,157
Federal Funds	2,952,265,688	2,634,114,985	2,024,111,052
<b>All Funds</b>	<b>\$19,183,351,348</b>	<b>\$21,820,486,252</b>	<b>\$23,325,246,158</b>

**PROGRAM AREA: HUMAN SERVICES****Commission for the Blind**

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
General Fund	5,977,652	8,429,871	9,161,859
Other Funds	580,046	1,140,387	1,147,421
Federal Funds	18,638,377	19,299,483	22,116,930
<b>All Funds</b>	<b>25,196,075</b>	<b>28,869,741</b>	<b>32,426,210</b>

**Human Services, Dept. of**

General Fund	4,403,113,388	6,057,272,145	7,354,596,113
Other Funds	847,413,070	1,182,596,085	1,303,312,537
Federal Funds	12,676,927,584	12,454,803,604	13,835,393,798
<b>All Funds</b>	<b>17,927,454,042</b>	<b>19,694,671,834</b>	<b>22,493,302,448</b>

**Long Term Care Ombudsman**

General Fund	10,603,753	13,833,416	16,201,351
Other Funds	888,985	1,558,347	1,344,529
<b>All Funds</b>	<b>11,492,738</b>	<b>15,391,763</b>	<b>17,545,880</b>

**Oregon Health Authority**

General Fund	3,229,382,026	5,626,518,070	6,225,920,768
Lottery Funds	18,685,848	29,624,256	42,788,778
Other Funds	10,027,574,427	10,395,539,826	11,671,812,721
Federal Funds	17,608,259,595	19,857,389,240	21,699,731,535
<b>All Funds</b>	<b>30,883,901,896</b>	<b>35,909,071,392</b>	<b>39,640,253,802</b>

**Psychiatric Security Review Board**

General Fund	3,756,569	4,672,439	5,258,148
<b>All Funds</b>	<b>3,756,569</b>	<b>4,672,439</b>	<b>5,258,148</b>

**Human Services Total**

General Fund	7,652,833,388	11,710,725,941	13,611,138,239
Lottery Funds	18,685,848	29,624,256	42,788,778
Other Funds	10,876,456,528	11,580,834,645	12,977,617,208

**PROGRAM AREA: HUMAN SERVICES****Human Services Total**

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Federal Funds	30,303,825,556	32,331,492,327	35,557,242,263
<b>All Funds</b>	<b>\$48,851,801,320</b>	<b>\$55,652,677,169</b>	<b>\$62,188,786,488</b>

**PROGRAM AREA: PUBLIC SAFETY****Corrections, Dept of**

General Fund	1,068,533,490	2,259,508,999	2,637,627,314
Other Funds	1,091,576,379	171,417,659	132,569,983
Federal Funds	5,810,000	2,029,649	2,167,665
<b>All Funds</b>	<b>2,165,919,869</b>	<b>2,432,956,307</b>	<b>2,772,364,962</b>

**Criminal Justice Comm, Oregon**

General Fund	121,868,436	139,468,384	154,337,177
Lottery Funds	460,935	603,177	628,510
Other Funds	43,003,134	61,348,502	65,421,869
Federal Funds	6,244,004	13,375,225	15,086,681
<b>All Funds</b>	<b>171,576,509</b>	<b>214,795,288</b>	<b>235,474,237</b>

**Department of the State Fire Marshal**

General Fund	-	66,648,738	61,459,624
Other Funds	-	51,329,575	44,243,149
Federal Funds	-	599,769	629,199
<b>All Funds</b>	<b>-</b>	<b>118,578,082</b>	<b>106,331,972</b>

**District Attorneys**

General Fund	15,304,988	18,463,050	19,596,588
<b>All Funds</b>	<b>15,304,988</b>	<b>18,463,050</b>	<b>19,596,588</b>

**Emergency Management, Oregon Dept of**

General Fund	39,256,625	32,727,184	36,112,413
Other Funds	76,096,971	186,264,049	185,666,438

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Emergency Management, Oregon Dept of</b>			
Federal Funds	521,354,454	1,056,771,485	1,098,413,627
<b>All Funds</b>	<b>636,708,050</b>	<b>1,275,762,718</b>	<b>1,320,192,478</b>
<b>Justice, Dept of</b>			
General Fund	175,815,614	206,488,533	194,599,682
Other Funds	381,554,282	530,805,521	533,364,744
Federal Funds	194,487,736	222,471,269	211,487,172
<b>All Funds</b>	<b>751,857,632</b>	<b>959,765,323</b>	<b>939,451,598</b>
<b>Military Dept, Oregon</b>			
General Fund	42,510,840	42,299,611	52,741,756
Other Funds	100,051,433	36,009,845	65,437,336
Federal Funds	295,092,676	174,244,198	220,000,642
<b>All Funds</b>	<b>437,654,949</b>	<b>252,553,654</b>	<b>338,179,734</b>
<b>Oregon Youth Authority</b>			
General Fund	251,200,913	418,755,516	468,823,677
Other Funds	140,718,655	35,124,430	36,635,503
Federal Funds	27,388,961	46,844,302	45,703,555
<b>All Funds</b>	<b>419,308,529</b>	<b>500,724,248</b>	<b>551,162,735</b>
<b>Parole &amp; Post Prison Supervision, State Board of</b>			
General Fund	10,126,834	14,027,372	14,054,847
Other Funds	841	12,696	13,229
<b>All Funds</b>	<b>10,127,675</b>	<b>14,040,068</b>	<b>14,068,076</b>
<b>Police, Dept of State</b>			
General Fund	536,205,975	491,941,814	549,164,508
Lottery Funds	9,809,628	9,751,741	11,838,943
Other Funds	287,216,610	185,910,427	141,307,588
Federal Funds	9,449,040	14,660,025	14,729,927

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: PUBLIC SAFETY</b>			
<b>Police, Dept of State</b>			
All Funds	842,681,253	702,264,007	717,040,966
<b>Public Defense Svcs Comm</b>			
General Fund	433,471,652	591,596,364	686,355,727
Other Funds	15,540,114	22,352,949	33,732,605
All Funds	449,011,766	613,949,313	720,088,332
<b>Public Safety Standards &amp; Training, Dept of</b>			
General Fund	9,107,624	8,773,470	9,624,053
Other Funds	56,765,070	72,427,141	90,056,787
Federal Funds	6,685,398	7,652,537	7,967,812
All Funds	72,558,092	88,853,148	107,648,652
<b>Public Safety Total</b>			
General Fund	2,703,402,991	4,290,699,035	4,884,497,366
Lottery Funds	10,270,563	10,354,918	12,467,453
Other Funds	2,192,523,489	1,353,002,794	1,328,449,231
Federal Funds	1,066,512,269	1,538,648,459	1,616,186,280
All Funds	\$5,972,709,312	\$7,192,705,206	\$7,841,600,330
<b>PROGRAM AREA: ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
<b>Employment Dept</b>			
General Fund	33,941,652	5,767,819	-
Other Funds	1,324,024,869	3,046,095,873	4,361,004,350
Federal Funds	1,355,524,965	277,914,201	255,650,689
All Funds	2,713,491,486	3,329,777,893	4,616,655,039
<b>Housing &amp; Community Svcs Dept</b>			
General Fund	895,578,308	846,477,625	1,143,922,457
Lottery Funds	25,217,808	29,707,030	46,675,634



<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
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**PROGRAM AREA: ECONOMIC & COMMUNITY DEVELOPMENT****Housing & Community Svcs Dept**

Other Funds	1,536,285,212	2,246,803,100	2,448,785,385
Federal Funds	821,319,402	589,204,639	523,913,316
<b>All Funds</b>	<b>3,278,400,730</b>	<b>3,712,192,394</b>	<b>4,163,296,792</b>

**Oregon Business Development Department**

General Fund	445,946,186	318,799,824	212,438,501
Lottery Funds	133,568,697	177,780,001	200,236,708
Other Funds	390,520,580	1,633,184,041	1,572,507,861
Federal Funds	49,801,034	127,504,132	94,273,416
<b>All Funds</b>	<b>1,019,836,497</b>	<b>2,257,267,998</b>	<b>2,079,456,486</b>

**Veterans' Affairs, Oregon Dept of**

General Fund	7,947,203	9,795,850	10,417,559
Lottery Funds	17,928,443	22,903,358	25,421,414
Other Funds	378,378,594	402,550,696	574,554,547
Federal Funds	524,738	3,932,620	1,961,694
<b>All Funds</b>	<b>404,778,978</b>	<b>439,182,524</b>	<b>612,355,214</b>

**Economic & Community Development Total**

General Fund	1,383,413,349	1,180,841,118	1,366,778,517
Lottery Funds	176,714,948	230,390,389	272,333,756
Other Funds	3,629,209,255	7,328,633,710	8,956,852,143
Federal Funds	2,227,170,139	998,555,592	875,799,115
<b>All Funds</b>	<b>\$7,416,507,691</b>	<b>\$9,738,420,809</b>	<b>\$11,471,763,531</b>

**PROGRAM AREA: NATURAL RESOURCES****Agriculture, Oregon Dept of**

General Fund	75,001,221	57,988,648	42,206,989
Lottery Funds	10,491,201	9,323,768	9,877,824
Other Funds	90,737,302	97,593,748	112,934,774
Federal Funds	16,097,385	24,616,353	24,220,694

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Agriculture, Oregon Dept of</b>			
All Funds	192,327,109	189,522,517	189,240,281
<b>Columbia River Gorge Comm</b>			
General Fund	1,377,034	2,502,980	2,076,661
All Funds	1,377,034	2,502,980	2,076,661
<b>Energy, Dept of</b>			
General Fund	99,490,660	61,413,105	40,092,499
Lottery Funds	3,022,567	1,439,160	-
Other Funds	70,115,144	176,816,557	137,723,176
Federal Funds	2,699,640	16,211,130	22,728,046
All Funds	175,328,011	255,879,952	200,543,721
<b>Environmental Quality, Dept of</b>			
General Fund	106,936,680	90,277,625	84,639,686
Lottery Funds	6,263,230	6,812,996	7,027,034
Other Funds	351,343,570	614,074,714	721,839,622
Federal Funds	21,407,829	42,750,723	43,232,998
All Funds	485,951,309	753,916,058	856,739,340
<b>Fish &amp; Wildlife, Oregon Dept of</b>			
General Fund	74,319,235	70,912,893	65,983,114
Lottery Funds	6,886,493	7,253,227	10,003,454
Other Funds	194,731,818	292,692,770	311,764,782
Federal Funds	131,357,078	223,951,064	208,852,722
All Funds	407,294,624	594,809,954	596,604,072
<b>Forestry, Dept of</b>			
General Fund	282,485,996	206,283,183	291,314,733
Lottery Funds	2,564,201	2,557,080	2,558,120
Other Funds	383,063,337	439,503,895	453,775,258

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>PROGRAM AREA: NATURAL RESOURCES</b>			
<b>Forestry, Dept of</b>			
Federal Funds	28,185,123	81,911,546	84,701,219
<b>All Funds</b>	<b>696,298,657</b>	<b>730,255,704</b>	<b>832,349,330</b>
<b>Geology &amp; Mineral Industries, Dept of</b>			
General Fund	5,955,423	9,844,208	10,450,493
Other Funds	6,087,655	7,741,135	21,744,290
Federal Funds	4,651,819	5,663,435	5,988,729
<b>All Funds</b>	<b>16,694,897</b>	<b>23,248,778</b>	<b>38,183,512</b>
<b>Land Conservation &amp; Development, Dept of</b>			
General Fund	25,183,788	50,842,495	48,825,604
Other Funds	1,554,241	19,007,494	12,887,095
Federal Funds	4,473,537	9,534,680	9,576,656
<b>All Funds</b>	<b>31,211,566</b>	<b>79,384,669</b>	<b>71,289,355</b>
<b>Land Use Board of Appeals</b>			
General Fund	2,595,218	2,994,485	3,907,929
Other Funds	12,229	38,019	39,616
<b>All Funds</b>	<b>2,607,447</b>	<b>3,032,504</b>	<b>3,947,545</b>
<b>Lands, Dept of State</b>			
General Fund	123,060,000	4,002,152	442,576
Other Funds	68,122,351	93,902,552	109,481,400
Federal Funds	2,477,678	5,580,888	6,529,002
<b>All Funds</b>	<b>193,660,029</b>	<b>103,485,592</b>	<b>116,452,978</b>
<b>Marine Board, Oregon State</b>			
Other Funds	28,641,245	33,059,376	36,755,918
Federal Funds	5,110,240	6,993,480	7,022,955
<b>All Funds</b>	<b>33,751,485</b>	<b>40,052,856</b>	<b>43,778,873</b>

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**PROGRAM AREA: NATURAL RESOURCES****Parks & Recreation Dept**

General Fund	2,333,866	8,590,960	8,476,750
Lottery Funds	110,353,350	168,169,638	204,377,566
Other Funds	157,628,197	174,406,164	158,611,617
Federal Funds	8,642,075	21,868,180	28,599,686
<b>All Funds</b>	<b>278,957,488</b>	<b>373,034,942</b>	<b>400,065,619</b>

**Water Resources Dept**

General Fund	64,196,283	88,114,428	88,047,620
Lottery Funds	6,976,595	14,102,838	24,352,512
Other Funds	38,535,738	179,581,877	149,384,845
Federal Funds	972,372	2,153,385	2,190,179
<b>All Funds</b>	<b>110,680,988</b>	<b>283,952,528</b>	<b>263,975,156</b>

**Watershed Enhancement Board, Oregon**

General Fund	29,218,032	40,770,232	8,967,700
Lottery Funds	93,945,955	116,197,727	119,966,991
Other Funds	2,262,698	45,819,445	43,533,391
Federal Funds	34,926,210	56,787,165	61,591,577
<b>All Funds</b>	<b>160,352,895</b>	<b>259,574,569</b>	<b>234,059,659</b>

**Natural Resources Total**

General Fund	892,153,436	694,537,394	695,432,354
Lottery Funds	240,503,592	325,856,434	378,163,501
Other Funds	1,392,835,525	2,174,237,746	2,270,475,784
Federal Funds	261,000,986	498,022,029	505,234,463
<b>All Funds</b>	<b>\$2,786,493,539</b>	<b>\$3,692,653,603</b>	<b>\$3,849,306,102</b>

**PROGRAM AREA: TRANSPORTATION****Aviation, Dept of**

General Fund	1,653,073	2,448,406	-
Other Funds	9,943,134	25,698,091	29,900,523

**PROGRAM AREA: TRANSPORTATION****Aviation, Dept of**

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
Federal Funds	6,474,379	20,733,526	15,552,200
<b>All Funds</b>	<b>18,070,586</b>	<b>48,880,023</b>	<b>45,452,723</b>

**Transportation, Oregon Dept of**

General Fund	74,908,610	80,930,280	53,462,854
Lottery Funds	121,580,406	135,204,750	144,630,965
Other Funds	4,650,650,538	5,901,606,156	6,880,959,635
Federal Funds	126,804,209	212,214,788	219,735,264
<b>All Funds</b>	<b>4,973,943,763</b>	<b>6,329,955,974</b>	<b>7,298,788,718</b>

**Transportation Total**

General Fund	76,561,683	83,378,686	53,462,854
Lottery Funds	121,580,406	135,204,750	144,630,965
Other Funds	4,660,593,672	5,927,304,247	6,910,860,158
Federal Funds	133,278,588	232,948,314	235,287,464
<b>All Funds</b>	<b>\$4,992,014,349</b>	<b>\$6,378,835,997</b>	<b>\$7,344,241,441</b>

**PROGRAM AREA: CONSUMER & BUSINESS SERVICES****Accountancy, Board of**

Other Funds	2,264,706	3,074,589	4,360,279
<b>All Funds</b>	<b>2,264,706</b>	<b>3,074,589</b>	<b>4,360,279</b>

**Construction Contractors Board**

Other Funds	17,472,891	19,950,763	23,333,963
<b>All Funds</b>	<b>17,472,891</b>	<b>19,950,763</b>	<b>23,333,963</b>

**Consumer and Business Svcs, Dept of**

General Fund	4,638,263	12,803,438	1,898,464
Other Funds	519,384,074	631,008,048	692,075,395
Federal Funds	126,498,930	136,584,313	133,976,959

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**PROGRAM AREA: CONSUMER & BUSINESS SERVICES****Consumer and Business Svcs, Dept of**

<b>All Funds</b>	<b>650,521,267</b>	<b>780,395,799</b>	<b>827,950,818</b>
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**Health Related Licensing Boards**

Medical Imaging - OF	1,425,402	1,623,421	1,806,246
Mortuary and Cemetery Board - OF	2,735,214	3,215,327	3,534,631
Naturopathic Medicine - OF	1,056,997	1,193,030	1,168,238
Occupational Therapy Licensing - OF	585,917	755,948	792,907
Speech-Language Path. and Audio. - OF	1,068,097	1,303,466	1,316,857
Veterinary Medical Examiners - OF	1,213,794	1,734,639	1,922,747
<b>All Boards</b>	<b>8,085,421</b>	<b>9,825,831</b>	<b>10,541,626</b>

**Labor & Industries, Bureau of**

General Fund	37,111,513	34,002,114	35,558,264
Lottery Funds	202,834	316,222	307,006
Other Funds	13,085,041	23,066,172	45,375,883
Federal Funds	1,486,593	2,240,160	2,323,667
<b>All Funds</b>	<b>51,885,981</b>	<b>59,624,668</b>	<b>83,564,820</b>

**Licensed Social Workers, Board of**

General Fund	-	-	625,000
Other Funds	2,261,952	2,819,682	3,118,162
<b>All Funds</b>	<b>2,261,952</b>	<b>2,819,682</b>	<b>3,743,162</b>

**Mental Health Regulatory Agency**

General Fund	210,133	-	625,000
Other Funds	4,704,788	5,998,269	7,192,917
<b>All Funds</b>	<b>4,914,921</b>	<b>5,998,269</b>	<b>7,817,917</b>

**Nursing, Board of**

Other Funds	21,881,048	25,956,362	30,349,084
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**PROGRAM AREA: CONSUMER & BUSINESS SERVICES****Nursing, Board of**

<b>All Funds</b>	<b>21,881,048</b>	<b>25,956,362</b>	<b>30,349,084</b>
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**Oregon Board of Chiropractic Examiners**

Other Funds	1,955,692	2,661,824	2,475,556
<b>All Funds</b>	<b>1,955,692</b>	<b>2,661,824</b>	<b>2,475,556</b>

**Oregon Board of Dentistry**

Other Funds	3,620,918	4,427,096	4,559,747
<b>All Funds</b>	<b>3,620,918</b>	<b>4,427,096</b>	<b>4,559,747</b>

**Oregon Medical Board**

Other Funds	15,055,077	19,272,417	20,668,969
<b>All Funds</b>	<b>15,055,077</b>	<b>19,272,417</b>	<b>20,668,969</b>

**Pharmacy, Board of**

Other Funds	9,086,439	11,391,000	14,210,412
<b>All Funds</b>	<b>9,086,439</b>	<b>11,391,000</b>	<b>14,210,412</b>

**Public Utility Commission**

Other Funds	104,549,491	120,335,646	128,428,670
Federal Funds	964,634	1,292,424	1,510,497
<b>All Funds</b>	<b>105,514,125</b>	<b>121,628,070</b>	<b>129,939,167</b>

**Real Estate Agency**

Other Funds	9,914,221	14,691,991	15,739,193
<b>All Funds</b>	<b>9,914,221</b>	<b>14,691,991</b>	<b>15,739,193</b>

**Tax Practitioners, State Board of**

Other Funds	1,194,525	1,162,920	1,346,988
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**PROGRAM AREA: CONSUMER & BUSINESS SERVICES****Tax Practitioners, State Board of**

<b>All Funds</b>	<b>1,194,525</b>	<b>1,162,920</b>	<b>1,346,988</b>
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**Consumer & Business Services Total**

General Fund	41,959,909	46,805,552	38,706,728
Lottery Funds	202,834	316,222	307,006
Other Funds	734,516,284	895,642,610	1,003,776,844
Federal Funds	128,950,157	140,116,897	137,811,123
<b>All Funds</b>	<b>\$905,629,184</b>	<b>\$1,082,881,281</b>	<b>\$1,180,601,701</b>

**PROGRAM AREA: ADMINISTRATION****Administrative Svcs, Dept of**

General Fund	662,644,061	302,008,992	62,855,810
Lottery Funds	26,603,095	51,554,972	59,656,865
Other Funds	1,545,718,664	1,769,131,815	1,730,242,716
Federal Funds	3,016,134,503	181,426,435	165,284,328
<b>All Funds</b>	<b>5,251,100,323</b>	<b>2,304,122,214</b>	<b>2,018,039,719</b>

**Employment Relations Board**

General Fund	3,254,151	3,548,203	4,127,103
Other Funds	2,562,238	2,816,298	3,259,034
<b>All Funds</b>	<b>5,816,389</b>	<b>6,364,501</b>	<b>7,386,137</b>

**Governor, Office of the**

General Fund	18,797,215	23,569,345	32,453,079
Lottery Funds	3,366,264	4,923,010	5,137,817
Other Funds	3,019,693	4,408,651	5,271,167
<b>All Funds</b>	<b>25,183,172</b>	<b>32,901,006</b>	<b>42,862,063</b>

**Office of the Public Records Advocate**

Other Funds	-	1,000,967	1,174,012
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<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Office of the Public Records Advocate</b>			
All Funds	-	1,000,967	1,174,012
<b>Oregon Advocacy Commissions Office</b>			
General Fund	1,692,591	2,238,291	2,101,205
Other Funds	9,841	10,253	25,432
All Funds	1,702,432	2,248,544	2,126,637
<b>Oregon Government Ethics Commission</b>			
Other Funds	3,023,863	5,698,983	6,816,378
All Funds	3,023,863	5,698,983	6,816,378
<b>Oregon Liquor &amp; Cannabis Comm</b>			
Other Funds	450,504,425	391,997,885	410,945,173
All Funds	450,504,425	391,997,885	410,945,173
<b>Public Employees Retirement System, Oregon</b>			
General Fund	17,250,000	-	-
Lottery Funds	15,091,192	28,527,388	44,911,479
Other Funds	12,943,284,675	13,700,583,113	15,438,743,125
All Funds	12,975,625,867	13,729,110,501	15,483,654,604
<b>Racing Commission, Oregon</b>			
Other Funds	7,169,552	7,482,263	7,889,653
All Funds	7,169,552	7,482,263	7,889,653
<b>Revenue, Dept of</b>			
General Fund	238,599,023	248,901,204	267,297,265
Other Funds	270,179,837	187,084,346	166,715,178
All Funds	508,778,860	435,985,550	434,012,443

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<b>PROGRAM AREA: ADMINISTRATION</b>			
<b>Administrative Svcs, Dept of</b>			
Beginning Balance			
Federal Funds	65,476,928	-	-
Beginning Balance Adjustment			
Lottery Funds	-	28,299,359	2,172,577
Other Funds	62,613,293	(10,480,364)	50,330,353
Federal Funds	69,016,439	-	-
General Fund Appropriation	670,472,681	302,008,992	62,855,810
Lottery Funds			
Interest Income	49,399,786	95,069,249	93,969,340
Other Revenues	(2,972)	-	-
Other Funds Revenues			
General Fund Revenues	12,745,726	16,153,146	21,239,843
Non-business Lic. and Fees	4,007,115	4,077,063	3,050,340
Central Service Charges	4,500,001	4,500,000	4,500,000
Charges for Services	291,930,006	233,735,823	262,707,414
Admin and Service Charges	432,224,875	578,543,782	808,215,477
Fines and Forfeitures	18,585	-	-
Rents and Royalties	101,153,820	126,501,970	138,896,784
General Fund Obligation Bonds	64,250,000	-	4,935,000
Dedicated Fund Oblig Bonds	158,845,000	-	151,080,000
Lottery Bonds	-	116,591,012	-
Revenue Bonds	170,860,000	-	-
Interest Income	22,236,983	4,400,000	4,400,000
Sales Income	3,874,372	12,201,594	6,771,068
Loan Repayments	51,881	-	-
Other Revenues	658,914,883	1,201,059,527	674,331,230
Federal Funds	2,896,535,568	290,720,620	274,078,513
Transfers In			
Lottery Funds	2,474,709,466	2,531,143,107	2,644,520,606

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>PROGRAM AREA: LEGISLATIVE BRANCH</b>			
<b>Legislative Administration Committee</b>			
Other Funds	26,226,792	228,386,277	2,688,547
<b>All Funds</b>	<b>310,727,946</b>	<b>329,511,376</b>	<b>121,808,448</b>
<b>Legislative Assembly</b>			
General Fund	61,263,416	76,462,887	82,225,208
Other Funds	18,939	323,805	307,741
<b>All Funds</b>	<b>61,282,355</b>	<b>76,786,692</b>	<b>82,532,949</b>
<b>Legislative Counsel Committee</b>			
General Fund	17,015,693	21,695,313	22,433,726
Other Funds	1,884,981	3,128,390	3,378,025
<b>All Funds</b>	<b>18,900,674</b>	<b>24,823,703</b>	<b>25,811,751</b>
<b>Legislative Fiscal Office</b>			
General Fund	7,059,391	9,602,798	10,411,498
Other Funds	3,711,670	5,338,078	5,783,501
<b>All Funds</b>	<b>10,771,061</b>	<b>14,940,876</b>	<b>16,194,999</b>
<b>Legislative Policy and Research Committee</b>			
General Fund	15,870,697	22,519,811	22,927,110
<b>All Funds</b>	<b>15,870,697</b>	<b>22,519,811</b>	<b>22,927,110</b>
<b>Legislative Revenue Office</b>			
General Fund	3,389,050	4,462,474	4,737,995
<b>All Funds</b>	<b>3,389,050</b>	<b>4,462,474</b>	<b>4,737,995</b>
<b>Legislative Branch Total</b>			
General Fund	390,005,599	237,230,123	263,272,296
Other Funds	31,842,754	237,184,154	12,165,418

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**PROGRAM AREA: LEGISLATIVE BRANCH****Legislative Branch Total**

<b>All Funds</b>	<b>\$421,848,353</b>	<b>\$474,414,277</b>	<b>\$275,437,714</b>
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**PROGRAM AREA: JUDICIAL BRANCH****Judicial Dept**

General Fund	622,417,382	791,984,702	843,843,470
Other Funds	69,842,961	397,083,341	243,877,455
Federal Funds	2,531,337	4,737,986	5,408,623
<b>All Funds</b>	<b>694,791,680</b>	<b>1,193,806,029</b>	<b>1,093,129,548</b>

**Judicial Fitness and Disability, Comm on**

General Fund	299,098	386,660	392,378
<b>All Funds</b>	<b>299,098</b>	<b>386,660</b>	<b>392,378</b>

**Judicial Branch Total**

General Fund	622,716,480	792,371,362	844,235,848
Other Funds	69,842,961	397,083,341	243,877,455
Federal Funds	2,531,337	4,737,986	5,408,623
<b>All Funds</b>	<b>\$695,090,778</b>	<b>\$1,194,192,689</b>	<b>\$1,093,521,926</b>

**PROGRAM AREA: MISCELLANEOUS PROGRAMS****Emergency Board**

General Fund	-	284,681,502	455,000,000
<b>All Funds</b>	<b>-</b>	<b>284,681,502</b>	<b>455,000,000</b>

**Miscellaneous Programs Total**

General Fund	-	284,681,502	455,000,000
<b>All Funds</b>	<b>-</b>	<b>\$284,681,502</b>	<b>\$455,000,000</b>

<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
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**PROGRAM AREA: ALL PROGRAM AREAS****All Agencies**

General Fund	26,400,308,513	32,893,581,336	37,428,894,689
Lottery Funds	1,401,258,709	1,659,735,485	1,862,002,711
Other Funds	42,771,279,896	51,585,404,655	57,321,898,206
Federal Funds	40,104,325,383	38,570,514,757	41,132,699,250
<b>All Funds</b>	<b>\$110,677,172,501</b>	<b>\$124,709,236,233</b>	<b>\$137,745,494,856</b>

**NON-ADD EXPENDITURES \*\* INCLUDED IN TOTAL EXPENDITURES**

Administrative Svcs, Dept of	\$763,364,193	\$888,369,768	\$881,608,748
Employment Dept	\$28,368,817	\$42,230,767	\$44,172,707
Justice, Dept of	\$219,430,148	\$299,450,502	\$314,482,864
Secretary of State	\$35,380,050	\$43,789,835	\$45,693,118
<b>All Funds</b>	<b>\$1,046,543,208</b>	<b>\$1,273,840,872</b>	<b>\$1,285,957,437</b>

\* See agency narrative section for complete Agency Request information.

\*\* FOR INFORMATION ONLY - Total expenditures represent the expenditure limitation agencies require to execute their budget. Non-add expenditures, which are a part of Total Expenditures, are generally intra-agency transfers that fund administrative functions and are paid for by agency programs.

## Schedule VI – Expenditures by Category by Fund

	<i>Fund</i>	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>Personal Services</b>	General Fund	3,380,623,325	6,073,928,898	6,894,284,168
	Lottery Funds	117,032,859	146,342,360	162,467,604
	Other Funds	3,549,856,061	4,367,253,674	4,826,650,614
	Other Funds - NA	(456,050,455)	(569,264,163)	(598,804,257)
	Federal Funds	1,726,636,227	1,982,189,448	2,122,832,368
	<b>Total</b>	<b>\$8,774,148,472</b>	<b>\$12,569,714,380</b>	<b>\$14,006,234,754</b>
<b>Services &amp; Supplies</b>	General Fund	976,237,134	2,620,392,739	2,855,306,021
	Lottery Funds	754,795,801	65,713,078	70,286,124
	Other Funds	9,380,398,880	8,152,352,019	9,353,973,326
	Other Funds - NA	(528,559,283)	(650,832,870)	(645,742,063)
	Federal Funds	942,259,307	1,620,505,432	1,351,014,508
	<b>Total</b>	<b>\$12,053,691,122</b>	<b>\$12,458,963,268</b>	<b>\$13,630,579,979</b>
<b>Capital Outlay</b>	General Fund	302,232,070	45,066,523	38,039,838
	Lottery Funds	10,542,650	2,851,319	2,971,073
	Other Funds	466,806,293	1,362,309,633	1,638,202,472
	Other Funds - NA	(55,196,580)	(46,655,116)	(36,647,471)
	Federal Funds	87,834,495	73,234,090	73,276,557
	<b>Total</b>	<b>\$867,415,508</b>	<b>\$1,483,461,565</b>	<b>\$1,752,489,940</b>
<b>Special Payments</b>	General Fund	20,952,635,225	23,153,664,111	26,303,488,386
	Lottery Funds	247,045,451	1,106,316,495	1,198,818,331
	Other Funds - NA	(6,082,222)	(7,088,723)	(4,763,646)
	Other Funds	26,750,276,243	34,674,168,487	38,617,496,744
	Federal Funds	37,328,094,699	34,875,821,140	37,567,642,303
	<b>Total</b>	<b>\$85,278,051,618</b>	<b>\$93,809,970,233</b>	<b>\$103,687,445,764</b>
<b>Debt Service</b>	General Fund	788,580,759	1,000,529,065	1,337,776,276
	Lottery Funds	271,841,948	338,512,233	427,459,579
	Other Funds	1,577,399,211	1,755,479,970	1,599,617,613
	Other Funds - NA	(654,668)	-	-
	Federal Funds	19,500,655	18,764,647	17,933,514
	<b>Total</b>	<b>\$2,657,322,573</b>	<b>\$3,113,285,915</b>	<b>\$3,382,786,982</b>
<b>Total - All Expenditures</b>	General Fund	26,400,308,513	32,893,581,336	37,428,894,689
	Lottery Funds	1,401,258,709	1,659,735,485	1,862,002,711
	Other Funds - NA	(1,046,543,208)	(1,273,840,872)	(1,285,957,437)
	Other Funds	41,724,736,688	50,311,563,783	56,035,940,769
	Federal Funds	40,104,325,383	38,570,514,757	41,132,699,250
	<b>Total</b>	<b>\$109,630,629,293</b>	<b>\$123,435,395,361</b>	<b>\$136,459,537,419</b>

( ) Non-add expenditures displayed for information only; not included in totals.



## Schedule VII – Number of Full-Time Equivalent Positions

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>EDUCATION</b>			
Department of Early Learning and Care	-	356.41	376.37
Education, Dept of	811.56	644.31	632.91
Higher Education Coordinating Commission	160.87	185.63	187.72
Teacher Standards & Practices Comm	31.75	33.00	29.50
<b>EDUCATION TOTAL</b>	<b>1,004.18</b>	<b>1,219.35</b>	<b>1,226.50</b>
<b>HUMAN SERVICES</b>			
Commission for the Blind	66.38	67.00	67.75
Human Services, Dept. of	10,268.08	10,960.24	10,930.88
Long Term Care Ombudsman	35.50	38.00	40.50
Oregon Health Authority	5,090.86	5,604.33	5,982.23
Psychiatric Security Review Board	12.00	13.00	13.00
<b>HUMAN SERVICES TOTAL</b>	<b>15,472.82</b>	<b>16,682.57</b>	<b>17,034.36</b>
<b>PUBLIC SAFETY</b>			
Corrections, Dept of	4,702.11	4,749.53	4,856.99
Criminal Justice Comm, Oregon	24.77	32.00	37.00
Department of the State Fire Marshal	-	155.56	159.64
District Attorneys	36.00	36.00	36.00
Emergency Management, Oregon Dept of	53.65	132.29	131.25
Justice, Dept of	1,463.55	1,530.68	1,573.00
Military Dept, Oregon	478.47	456.25	471.12
Oregon Youth Authority	972.62	956.53	973.01
Parole & Post Prison Supervision, State Board of	28.76	30.00	28.00
Police, Dept of State	1,467.29	1,378.87	1,395.60
Public Defense Svcs Comm	107.81	157.89	279.46
Public Safety Standards & Training, Dept of	158.24	184.75	199.87
<b>PUBLIC SAFETY TOTAL</b>	<b>9,493.27</b>	<b>9,800.35</b>	<b>10,140.94</b>
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
Employment Dept	2,250.52	1,991.79	2,015.44
Housing & Community Svcs Dept	366.57	463.87	479.38

	<i>2021-23 Actuals</i>	<i>2023-25 Leg Approved Budget</i>	<i>2025-27 Governor's Budget</i>
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>			
Oregon Business Development Department	167.11	187.36	205.19
Veterans' Affairs, Oregon Dept of	101.97	102.23	105.75
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT TOTAL</b>	<b>2,886.17</b>	<b>2,745.25</b>	<b>2,805.76</b>
<b>NATURAL RESOURCES</b>			
Agriculture, Oregon Dept of	407.52	402.26	396.89
Energy, Dept of	95.64	122.50	121.75
Environmental Quality, Dept of	815.86	855.31	881.64
Fish & Wildlife, Oregon Dept of	1,179.39	1,188.96	1,173.14
Forestry, Dept of	1,023.34	1,075.02	1,097.23
Geology & Mineral Industries, Dept of	34.67	40.50	56.00
Land Conservation & Development, Dept of	66.60	92.18	113.00
Land Use Board of Appeals	7.00	7.00	7.00
Lands, Dept of State	103.38	110.78	132.66
Marine Board, Oregon State	39.50	42.50	43.50
Parks & Recreation Dept	591.15	632.30	629.40
Water Resources Dept	216.97	248.71	246.63
Watershed Enhancement Board, Oregon	42.58	45.91	48.50
<b>NATURAL RESOURCES TOTAL</b>	<b>4,623.60</b>	<b>4,863.93</b>	<b>4,947.34</b>
<b>TRANSPORTATION</b>			
Aviation, Dept of	14.60	15.33	15.00
Transportation, Oregon Dept of	4,731.92	4,806.87	4,802.56
<b>TRANSPORTATION TOTAL</b>	<b>4,746.52</b>	<b>4,822.20</b>	<b>4,817.56</b>
<b>CONSUMER &amp; BUSINESS SERVICES</b>			
Accountancy, Board of	7.50	7.00	7.00
Construction Contractors Board	59.00	59.00	59.50
Consumer and Business Svcs, Dept of	945.18	975.52	1,012.55
Health Related Licensing Boards			
Mortuary and Cemetery Board	7.00	7.00	7.00
Naturopathic Medicine	3.00	3.00	3.00

	<i><b>2021-23 Actuals</b></i>	<i><b>2023-25 Leg Approved Budget</b></i>	<i><b>2025-27 Governor's Budget</b></i>
<b>CONSUMER &amp; BUSINESS SERVICES</b>			
Occupational Therapy Licensing	1.65	1.50	1.50
Medical Imaging	3.75	3.75	4.00
Speech-Language Path. and Audio.	3.00	3.00	3.00
Veterinary Medical Examiners	3.75	5.00	5.00
Labor & Industries, Bureau of	138.92	154.43	227.25
Licensed Social Workers, Board of	7.00	8.50	8.50
Mental Health Regulatory Agency	14.00	15.00	17.00
Nursing, Board of	54.98	59.78	61.90
Oregon Board of Chiropractic Examiners	5.10	5.75	4.75
Oregon Board of Dentistry	8.00	7.62	7.00
Oregon Medical Board	42.00	42.00	42.50
Pharmacy, Board of	22.00	23.63	24.00
Public Utility Commission	134.75	141.00	145.50
Real Estate Agency	30.50	34.00	32.00
Tax Practitioners, State Board of	2.00	2.00	2.00
<b>CONSUMER &amp; BUSINESS SERVICES TOTAL</b>	<b>1,493.08</b>	<b>1,558.48</b>	<b>1,674.95</b>
<b>ADMINISTRATION</b>			
Administrative Svcs, Dept of	983.76	989.28	982.15
Employment Relations Board	13.00	13.00	14.00
Governor, Office of the	65.05	67.00	67.75
Office of the Public Records Advocate	-	2.00	2.00
Oregon Advocacy Commissions Office	4.00	7.00	5.50
Oregon Government Ethics Commission	9.00	13.63	15.00
Oregon Liquor & Cannabis Comm	380.16	379.28	388.75
Public Employees Retirement System, Oregon	424.68	445.40	447.40
Racing Commission, Oregon	10.64	10.39	10.14
Revenue, Dept of	1,055.30	1,088.75	1,107.29
Secretary of State	233.14	244.96	263.00
State Library of Oregon	39.47	39.76	40.18
Treasury, Oregon State	201.61	213.87	215.90
<b>ADMINISTRATION TOTAL</b>	<b>3,419.81</b>	<b>3,514.32</b>	<b>3,559.06</b>

	<b>2021-23 Actuals</b>	<b>2023-25 Leg Approved Budget</b>	<b>2025-27 Governor's Budget</b>
<b>LEGISLATIVE BRANCH</b>			
Indian Svcs, Comm on	2.75	3.00	3.00
Legislative Administration Committee	77.50	80.71	80.83
Legislative Assembly	253.08	253.77	253.77
Legislative Counsel Committee	57.00	58.04	58.58
Legislative Fiscal Office	27.00	27.00	27.00
Legislative Policy and Research Committee	49.96	60.46	59.29
Legislative Revenue Office	7.00	7.88	8.00
<b>LEGISLATIVE BRANCH TOTAL</b>	<b>474.29</b>	<b>490.86</b>	<b>490.47</b>
<b>JUDICIAL BRANCH</b>			
Judicial Dept	1,921.87	2,090.27	2,299.22
Judicial Fitness and Disability, Comm on	0.50	0.50	1.00
<b>JUDICIAL BRANCH TOTAL</b>	<b>1,922.37</b>	<b>2,090.77</b>	<b>2,300.22</b>
<b>STATE OF OREGON TOTAL FTE POSITIONS</b>	<b>45,536.11</b>	<b>47,788.08</b>	<b>48,997.16</b>

Per ORS 291.216 (7)(b) and (c), 5,551 positions were vacant on July 1, 2024. The vacancy rate on the date was 11.9 percent. Oregon University System data is not included.

## SPECIAL REPORTS

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### Revenues in Excess of Estimate (ORS 291.349)

The “kicker” law was first passed in 1979. It directed the state to give credits to taxpayers if certain conditions were met. In November 2000, voters passed Measure 86, which placed the “kicker” in the Oregon Constitution. Personal income taxpayers receive a credit if all other General Fund revenue is more than two percent above the forecast. If revenues received from corporate income and excise taxes is two percent or more above the forecast, the total amount of that excess is retained in the General Fund and used to provide additional funding for public education, specifically kindergarten through grade 12.

The kicker calculation is based on the forecast issued at the end of each legislative session. Actual receipts collected for the two-year period are compared with the forecast and if revenue is two percent or more above the forecast, a credit is due to taxpayers. The Department of Administrative Services certifies the amount of any credit in September of odd-numbered years.

The Department of Revenue manages the kicker distribution process. Individual taxpayers receive their credits in the form of a refund against the prior tax year. The credit for individual taxpayers appears on tax forms for the year the biennium ends.

The Governor’s budget proposal for the next two years is based on the December 2024 revenue forecast. This forecast anticipates a kicker credit for individual taxpayers for 2025-27, as well as additional corporate and excise tax collections.

### Deferred Maintenance (ORS 291.215)

The 2017 Legislature passed Senate Bill 1067, which requires the Governor’s budget to include an amount for deferred maintenance and capital improvements, which is at least two percent of the current replacement value of state-owned buildings and infrastructure, with some exclusions. For the 2025-27 Governor’s budget, deferred maintenance is funded at 4.1 percent of the current replacement value of state-owned buildings and infrastructure.

### Racial Impact Statements (ORS 291.216)

The 2021 Legislature passed House Bill 2167, which requires the Governor’s budget to include a narrative summarizing racial impact statements. Racial equity became part of the Governor’s budget development process for the 2023-25 biennium. At that time the Racial Justice Council worked with 26 state agencies to incorporate feedback they received into their funding requests for the 2023-25 biennium and developed Racial Equity Impact Statements for over 40 programs, which evaluated the impacts of agency programs, policies, and budgets on Black, Indigenous, Latino/a/x, Asian, Pacific Islander, Tribal, Immigrant, Refugee, and other communities of color.

To continue the work already attained during the 2023-25 biennium, as well as to advance the consideration of racial equity in the budget a hybrid process was used for the 2025-27 budget development. In an expectation letter to agencies on January 11, 2023, the Governor outlined the importance of each agency to have a Diversity, Equity, and Inclusion (DEI) plan. The letter included the expectation for each agency to have a plan by June 1, 2023. As part of the budget development process, each agency submitted a copy of their DEI plan, as well as a cover memo addressing several questions as part of the Agency Request Budget. The memo focused on how agency programs impact the communities they serve. The 26 agencies that were required to submit an impact statement during the 2023-25 budget development process also submitted an update on progress towards reaching racial equity goals in the 40 identified programs.

## Implementation of Audit Findings or Recommendations

The 2019 Legislature passed Senate Bill 1052, which requires the Governor's budget to identify any new or enhanced funding or savings included in the budget as a result of implementation of audit findings or recommendations. The Governor's budget includes \$69.4 million total funds across agency budgets to address audit findings and include the following:

- Funding for Summer Learning, specifically related to evaluation and infrastructure for the Department of Education.
- An additional accounting position at the Oregon Military Department to strengthen controls to ensure expenditures requested for reimbursement are properly documented and tracked.
- Deferred maintenance funding at the Oregon Department of Fish and Wildlife.
- Additionally positions to advance contract and fiscal compliance at the Oregon Department of Human Services.
- Expansion of the FOCUS program to address needs related to Children's InHome Services at the Oregon Department of Human Services.
- Investment in the Family First Prevention Services program at the Oregon Department of Human Services.
- Origin Framework Refactoring project to meet IRS security requirements for the Department of Justice.
- Oregon Liquor and Cannabis Commission's (OLCC) Information Technology Modernization project, addressing need to better collect demographic data.
- Increased staffing for Marijuana inspections and monitoring practices at OLCC.
- Additional staffing to support review of payments within the Office of Payment Accuracy and Recovery in the Oregon Health Authority (OHA).
- IT and privacy staff to respond to public records requests and stay in compliance with security requirements in OHA.

# Glossary

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## GLOSSARY

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<b>ADAPTATION, ADAPT (IN FACILITIES)</b>	Changes to the interior arrangements or other physical characteristics of a facility or permanent installation of equipment enabling a building to be better used for its current purpose or adapted to a new one. Adaptation can include code compliance.
<b>ALLOCATION</b>	An allocation is a cash transfer of either Lottery, Oregon Marijuana Account or Criminal Fine Account (CFA) funds to an agency by the Legislature. Allocated funds cannot be spent without expenditure limitation.
<b>ALLOTMENT</b>	An allotment is an agency's plan of estimated expenditures, revenues, cash disbursements, and cash receipts for each month of the biennium. It is used to monitor quarterly spending of an agency. Agencies must submit their allotment to the Department of Administrative Services Chief Financial Office each quarter for review. Upon approval, the requested funds are made available to the agency.
<b>ANALYST</b>	The Department of Administrative Services Chief Financial Office (Budget and Management section) analyst assigned to an agency.
<b>APPROPRIATED FUNDS</b>	A coding structure that reflects revenues and expenditures by funding source and purpose.
<b>APPROPRIATION</b>	An amount of money from the General Fund approved by the Legislature for a certain purpose.
<b>AUTHORIZATION</b>	The substantive legislation that establishes the purpose and guidelines for a given activity and usually sets a limit on the amount that can be appropriated or spent. The authorization does not provide actual dollars for a program.
<b>BASE BUDGET</b>	The starting point for budgeting. To budget for the upcoming biennium, the base budget begins with the current biennium Legislatively Adopted Budget (LAB). The LAB is adjusted for Emergency Board, February even-year session, special session, and administrative actions through a designated date in the current biennium, and personal services changes from the Oregon Position Information Control System (ORPICS). The result is the base budget.

<b>BIPOC</b>	Black, Indigenous and People of Color.
<b>BIENNIUM, BIENNIA</b>	A period of two fiscal years. Oregon state government's biennium runs from July 1 of an odd-numbered year through June 30 of the next odd-numbered year. Regular sessions convene twice per biennium: for 160 days in the odd-numbered year, and 35 days in the even-numbered year. <i>See Fiscal Year.</i>
<b>BOND</b>	A debt instrument issued through a formal legal procedure and secured either by the pledge of specific properties or revenues or by the general credit of the state year.
<b>BUDGET DOCUMENT</b>	The detailed material prepared by agencies as directed by the Department of Administrative Services Chief Financial Office for all phases of budget development.
<b>BUDGET REPORT</b>	Official report of the Joint Committee on Ways and Means for a bill that appropriates money or limits expenditures. The Budget Report includes the Committee's recommendations to the Legislature on levels of revenues and expenditures.
<b>CAPITAL ASSETS</b>	Tangible or intangible assets held and used in state operations which have a service life of more than one year and meet the state's capitalization policy. Capital assets of the state include land, infrastructure, and improvements to land, buildings, leasehold improvements, vehicles, furnishings, equipment, collections, and all other tangible and intangible assets used in state operations.
<b>CAPITAL OUTLAY</b>	Expenditures for the acquisition or major repair of fixed assets intended to benefit future periods. As an expenditure category, capital outlay is limited to items that: (i) are not consumed in the usual course of agency operations; (ii) can normally be used more than once; (iii) have a useful life of more than two years; and (iv) have an initial value of \$5,000 or more.
<b>CERTIFICATES OF PARTICIPATION (COPs)</b>	Tax-exempt government securities used to raise funds to improve and construct buildings or purchase equipment.
<b>CROSS REFERENCE NUMBER</b>	A computerized table in ORBITS that specifies the organizational structure under which an agency builds and presents its budget. A Summary Cross Reference (SCR) is a program unit and is composed of two or more Detail Cross References (DCRs).

<b>CONSTRUCTION</b>	Building, installing, or assembling a new structure. Adding to, expanding, altering, converting, or replacing a structure. Moving a structure to a new location. Includes site preparation and equipment installed and made part of the structure.
<b>CONSTRUCTION COSTS</b>	Direct costs, including labor, materials, and equipment rental. For total related costs, see <i>Project Costs</i> .
<b>CURRENT SERVICE LEVEL (CSL)</b>	The calculated cost of continuing only current legislatively approved programs into future biennia. For the upcoming biennium, Current Service Level begins with the current biennium Legislatively Adopted Budget. Added to it are Emergency Board actions, through May of the even number year, programs phased in, mandatory caseload increases, and other cost increases such as inflation. Subtracted are one-time costs, programs phased out, and pilot programs.
<b>DEBT SERVICE</b>	Expenditures for principal, interest, discounts, and premiums related to payment of state debt.
<b>DEFERRED MAINTENANCE</b>	Facilities Maintenance that was not performed when it should have been or a backlog of activities that agencies deem necessary to bring facilities into good repair. Deferred maintenance is generally work left undone due to the lack of resources or perceived lower priority than projects funded. Failure to perform deferred work may result in the progressive deterioration of the facility condition or performance, and if not addressed, will significantly increase restoration cost. It may also include maintenance needs resulting from unforeseen circumstances such as windstorms, premature failure of facilities components, etc.
<b>DIVERSITY, EQUITY, AND INCLUSION (DEI)</b>	<p>Diversity: Appreciation and prioritization of different backgrounds, identities, and experiences collectively and as individuals.</p> <p>Equity: Effort to provide different levels of support based on an individual's or group's needs in order to achieve fairness in outcomes. Equity actionably empowers communities most impacted by systematic oppression and requires the redistribution of resources, power, and opportunity to those communities.</p> <p>Inclusion: State of belonging when persons of different backgrounds, experiences, and identities are valued, integrated, and welcomed equitably as decision makers, collaborators, and colleagues.</p>

<b>EMERGENCY BOARD</b>	The legislative committee with constitutional and statutory authority to make fiscal decisions for the Legislature when the Legislature is not in session.
<b>EMERGENCY FUND</b>	A fund from which the Emergency Board can provide General Fund appropriations to agencies for needs that arise after their budget is approved, or for programs approved but not funded during the legislative session.
<b>ESSENTIAL PACKAGE</b>	A package to adjust the base budget to current service level, not to request new programs or expansions. Essential Packages may adjust for one-time costs, programs phased in or out, vacancy factors, non-ORPICS Personal Services costs, inflation, price list cost changes, fund shifts, and mandated caseload changes. An agency's base budget, plus essential packages, is its current service level.
<b>EXECUTIVE BRANCH</b>	The branch of state government that carries out and enforces state laws. In common use, refers to all of state government outside the Legislative Branch and the Judicial Branch. Sometimes refers only to the governor and agencies that answer directly to the governor. Rarely used in statute. The state constitution actually names four "departments": the Executive, Administrative, Judicial, and Legislative.
<b>EXECUTIVE SERVICE</b>	Commonly used for certain unclassified or exempt employees. Most are department heads, administrators, and deputies; their executive assistants; and certain principal assistants.
<b>EXPENDITURES</b>	Decreases in net current financial resources. Expenditures include disbursements and accruals for the current period. Encumbrances are not included.
<b>EXPENDITURE LIMITATION</b>	A spending limit set by the Legislature identifying the maximum amount of Lottery Funds, Other Funds, or Federal Funds an agency may spend. Defined in an agency's budget. If an agency receives more Other Funds or Federal Funds than the Legislature approved them to spend, they must obtain an increase in their expenditure limitation from the Legislature or the Emergency Board in order to spend the revenue.
<b>FACILITY</b>	A building or structure, including utility and other support systems. A real property improvement. A campus or group of structures. See <i>Real Property Improvements</i> .
<b>FEDERAL FUNDS</b>	Money a state agency receives directly from the Federal Government. It is spent under a Federal Funds expenditure limitation or as Nonlimited Federal Funds.



<b>FEE</b>	A fee is a charge, fixed by law or administrative rule, for the benefit of a service or to cover the cost of a regulatory program or the costs of administering a program for which the fee payer benefits. For example, professional license fees which cover the cost of administering and regulating that category of professions are fees. Other charges that are categorized as fees include tolls and tuition. Fees must be authorized in statute. The Legislature may set the rates in statute or authorize a state agency to set rates using administrative procedures.
<b>FINANCING AGREEMENT</b>	Any agreement to finance real or personal property, which is or will be owned and operated by an agency. Includes lease-purchase, installment sale, or loan agreements and Certificates of Participation.
<b>FISCAL YEAR</b>	The state government fiscal year runs from July 1 of one calendar year to June 30 of the next. See <i>Biennium</i> .
<b>FULL TIME EQUIVALENT (FTE)</b>	The standard unit for budgeting positions. An FTE is the number of months in the biennium for which the position is budgeted, divided by 24. One FTE equals one full-time position budgeted for the entire biennium. A permanent, part-time position budgeted for 12 months is 0.50 FTE. A full-time, limited duration position phased in 6 months after the start of the biennium (or budgeted for 18 months) is 0.75 FTE.
<b>GENERAL FUND</b>	Money available for the state budget that is not dedicated to a specific agency or purpose and that can be used for general purposes of state government. Most General Fund money in Oregon derives from personal and corporate income taxes. Some revenue from liquor, cigarettes, and other sources also go into the General Fund. See <i>Appropriation</i> .
<b>GOVERNOR'S BUDGET</b>	The constitutionally required budget recommended to the Legislature by the Governor. The Governor first reviews and decides on agencies' requests for funding. The Governor's Budget must be submitted by December 1 of even-numbered years. A newly elected Governor has until the following February 1 to publish a budget.
<b>INTERAGENCY TRANSFER</b>	A transfer of funds between agencies. All interagency transfers must be balanced before requesting an ORBITS audit.
<b>JOINT COMMITTEE ON WAYS AND MEANS</b>	A standing committee of senators and representatives appointed by their presiding officers. The Committee reviews the management and recommended budgets of entities that receive or administer state funds. It recommends the amounts of revenues and expenditures for the Legislature's approved budget.

<b>JUDICIAL BRANCH</b>	The branch of state government that interprets all state laws. Includes state courts. The Chief Justice of the Supreme Court is the chief executive of the branch.
<b>LEGISLATIVE BRANCH</b>	The Legislative Assembly and its staff. The branch of state government that enacts state laws, grants agencies statutory powers and duties, and adopts the state budget. The Legislative Branch in Oregon consists of a Senate with 30 elected members and a House of Representatives with 60 elected members.
<b>LEGISLATIVE FISCAL OFFICE</b>	Analyzes and presents a wide range of budget and related data on state programs to the Legislature. Staff to the Joint Ways and Means Committee and the state Emergency Board.
<b>LEGISLATIVE CONCEPT</b>	Relating to an agency or statute. Major or minor policy and program changes and non-policy technical adjustments or corrections to the current Oregon Revised Statutes. Approved concepts are sent to Legislative Counsel for bill drafting.
<b>LEGISLATIVE SESSION</b>	The Legislative Assembly convenes annually in January in odd-numbered years and February in even-numbered years. Sessions may not exceed 160 days in odd-numbered years and 35 days in even-numbered years. Five-day extensions are allowed by a two-thirds vote in each house. Special sessions can occur at other times.
<b>LEGISLATIVELY ADOPTED BUDGET</b>	The budget approved by the Legislature during the regular legislative session. It sets maximum spending and staffing levels. It can be modified by actions of the Emergency Board or special sessions.
<b>LEGISLATIVELY APPROVED BUDGET</b>	The legislatively adopted budget as modified by Emergency Board or other legislative action.
<b>LOTTERY FUNDS</b>	Money received by a state agency from lottery proceeds. The Legislature decides how much to provide and for what purpose. The state constitution restricts use of these funds. Lottery Funds include any of the following: (1) funds allocated to an agency by the Legislature as Lottery Funds; (2) Lottery Funds revenue transfers between agencies, i.e., Lottery Funds transferred by an agency must be receipted by the receiving agency as Lottery Funds; (3) all interest earned on Lottery Funds while held by an agency. Lottery Funds lose their identity, for budget purposes, when expended. Ballot Measure 66 requires certain agencies to track and report Lottery Funds expenditures at a more detailed level.

<b>MAINTENANCE</b>	Keeping property in good operating condition. Does not add value to or extend the economic life of a property. Commonly includes inspecting, calibrating, lubricating, and cleaning. Maintenance costs are categorized as Services and Supplies expenditures.
<b>MANAGEMENT SERVICE</b>	Supervisory, confidential, or managerial employees excluded from collective bargaining.
<b>MODIFIED CURRENT SERVICE LEVEL</b>	Current service level less adjustment for revenue reductions.
<b>NONLIMITED EXPENDITURES</b>	Expenditures for which the Legislature defines purposes but sets no dollar limits. They are subject to allotment control. The budget document describes them and the appropriation bill defines their allowed purposes. Revenue may be continuously appropriated for them. Their nature may be that they cannot be avoided, stopped, or reduced by agency action. Other factors often limit their ultimate costs.
<b>OTHER PAYROLL EXPENSES (OPE)</b>	Expenses other than salaries paid for state employees. These include payment to the retirement system, Social Security taxes, and health insurance costs.
<b>ORBITS</b>	Oregon's Budget Information Tracking System (ORBITS) is a system used to prepare budget requests. It compiles, maintains, and reports revenue, expenditure, and position data for budget preparation and execution.
<b>ORPICS</b>	Oregon's Position Information Control System (ORPICS) is a computerized statewide database of authorized position details for budget preparation and execution.
<b>OTHER FUNDS</b>	Money received by state agencies that does not come from the General Fund, Lottery Funds, or from the federal government. Other Funds come from sources such as gasoline taxes, driver licenses fees, and fishing license fees. Other Funds may be dedicated, requiring the revenue to be spent for specific purposes. Examples of dedicated funds are park user fees dedicated to park programs and gasoline taxes dedicated to highway programs. It is spent as Other Funds expenditure limitation or as Nonlimited Other Funds.
<b>PACKAGE</b>	A component of a program unit that presents proposed budget, policy, and program changes for an agency. The two types are essential and policy packages.
<b>PERSONAL SERVICES</b>	Employee gross compensation (salary, pay differentials, other payroll expenses). Includes state temporary personnel service.



<b>PLANNING STUDY (IN CAPITAL BUDGETING)</b>	Provides enough data for full project development. Normally includes siting, feasibility, and preliminary design studies. Includes cost estimates and all else that is needed to do a capital project budget request.
<b>POLICY PACKAGE</b>	A package that presents policy and program changes above or below the agency's current service level budget. An agency's total budget is the sum of its base budget, essential packages, and policy packages.
<b>PRICE LIST OF GOODS AND SERVICES</b>	Identifies projected state assessments and user fees. Compiled for budgeting by the Department of Administrative Services (DAS). Includes assessments and fees of DAS, Department of Justice, Correction Industries, Secretary of State, Treasurer of State, and Central Government Services (certain costs of the legislative assembly, Legislative Fiscal Office, Legislative Council, and Governor's Office). Also allocates other shared statewide costs for services of the PEBB Employee Assistance Program, State Library, Law Library, Government Ethics Commission, and Capitol Mall security functions.
<b>PROGRAM UNIT</b>	A budget structure containing similar services or functions for deliberation of major policy issues and budget information. Agency activities may be grouped into one or more program units.
<b>PROJECT COSTS (IN CAPITAL BUDGETING)</b>	The total of all necessary costs to construct the complete facility. Includes site acquisition, direct construction costs, furnishings, equipment, and contingencies allowance. Includes all indirect costs, such as design consultants, material testing services, special inspection services, project management, One Percent for Art, and others.
<b>RACIAL EQUITY</b>	Closing the gaps so that race can no longer predict one's success, which simultaneously improves outcomes for all.
<b>RACIAL JUSTICE COUNCIL</b>	Advisory council to the Governor with committees focused on criminal justice reform, health equity and human services, economic opportunity, housing and homelessness, environmental equity, and education. Members of the Council have connections to, or experience working with, historically underserved communities (particularly tribal communities, immigrants, refugees, and BIPOC) and demonstrated commitment to racial equity, social and economic justice, and diversity and inclusion.

<b>REAL PROPERTY IMPROVEMENTS</b>	Property that is fixed, immovable, and permanent. Real property includes land, structures affixed to the land, property affixed to the structures, and in some cases, trees etc., growing on the land. Includes sidewalks, landscaping, drives, tunnels, drains and sewers.
<b>RECLASSIFICATION</b>	A change in position classification because duties, authority, and responsibilities are significantly changed, but the required knowledge and skills remain similar.
<b>REVENUES</b>	Cash receipts and receivables of a governmental unit derived from taxes and other sources.
<b>REPAIRS</b>	Work done to restore worn or damaged property to normal operating condition. Repairs are usually Services and Supplies expenditures.
<b>REPLACEMENT (IN CAPITAL BUDGETING)</b>	Putting one facility component in place of another to gain equal or greater performance or economy or to comply with codes. It performs the same function. Usually required by wear or by accidental damage.
<b>SERVICES AND SUPPLIES</b>	Expenditures for business operations. Examples include personal service contracts, consumable materials, publishing, office supplies, travel, utilities, rent, and maintenance and repair of equipment and buildings.
<b>SPACE PLANNING</b>	Analyzing workflow, space, and equipment needs of work units to plan efficient equipment, furnishings, and support systems.
<b>SPECIAL PAYMENTS</b>	Budgeted transfers and payments where goods and services are not received in return. Paying out contributions, loans, deposits, or collections. Also, paying federal or state funds to eligible people, cities, counties, quasi-public agencies, and others.
<b>SPECIAL PURPOSE APPROPRIATION</b>	A General Fund appropriation to the Emergency Board for a specific purpose. When the appropriation is established, it states the agency and specific purpose for the funds. The Emergency Board can only allocate funds to that agency and for that purpose. There is also an expiration date for the appropriation. After that date, any remaining funds become available for any purpose for which the Emergency Board may lawfully allocate funds.
<b>SPECIAL SESSION</b>	A meeting of the Legislature between regularly scheduled sessions. Maybe called by the Governor or the Legislature.

<b>STATE AGENCY OR, AGENCY</b>	Variously defined in state statutes. Commonly, a department, office, board, or commission created by state law to carry out duties assigned by law. Agencies range in size from thousands of employees with billion-dollar budgets to one employee with a very limited tiny budget. They are funded by license and user fees, state and federal taxes, fines, and fees for service. Some agencies report to a board or commission.
<b>STATE EMPLOYEE COMPENSATION ALLOCATION</b>	Money or limitation allocated by the Emergency Board to fund approved compensation plan increases.
<b>UNDERSERVED COMMUNITIES</b>	Refers to Oregonians who are: Native Americans, or members of Oregon's nine federally recognized tribes, American Indians, Alaska Natives; Black, Africans, or African Americans; Latino, Latina, Latinx, or Hispanic; Asian, or Pacific Islanders; an immigrant, refugees, or asylum seekers; undocumented or DREAMers; linguistically diverse; people with disabilities; LGBTQ+; aging or older adults; economically disadvantaged; farmworkers or migrant workers; and living in rural parts of the state.
<b>UNFUNDED MANDATE</b>	A requirement that a lower level of government provides a program or performs an activity within existing resources. Under a federal mandate, the federal government may require a state or local government to provide a service and not provide additional federal funding to pay for it. Under a state mandate, the state may require a local government to provide a service. However, under the Oregon Constitution, a local government is not required to comply with certain new state mandates unless the state pays the costs of the new services. The Constitution provides exceptions.
<b>VACANCY FACTOR</b>	A calculation to project budget savings expected from staff turnover during the biennium.

# Legislative Bills

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